

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax, Insurance Premium Tax

Issue: Corporate Income Tax Piggyback

Bill Number(s): HB 7093 Enrolled

Entire Bill

Partial Bill:

Sponsor(s): Rep. Renner

Month/Year Impact Begins: May 2018

Date of Analysis: 5/2/2018

Section 1: Narrative

- a. Current Law:** Certain corporations doing business in Florida must pay tax of 5.5 percent on income earned in Florida. Florida “piggybacks” the federal income tax code in its determination of taxable income. Currently, the Internal Revenue Code of 1986, as amended and in effect on January 1, 2017, is the starting point for the Florida Corporate Income Tax calculation.
- b. Proposed Change:** The proposed legislation changes the starting point for the Florida Corporate Income Tax calculation to the Internal Revenue Code of 1986, as amended and in effect on January 1, 2018. This revision picks up both the federal law changes passed as part of the Tax Cuts and Jobs Act of 2017 and the Bipartisan Budget Act of 2018, with the following exception.

The Tax Cuts and Jobs Act of 2017 provides for 100% bonus depreciation for assets acquired and placed in service during the period September 27, 2017 and before 2023. It also provides for 80% bonus depreciation for property placed in service during 2023, 60% bonus depreciation for property placed in service during 2024, 40% bonus depreciation for property placed in service during 2025, and 20% bonus depreciation for property placed in service in 2026

HB 7093 decouples from the Tax Cut and Jobs Act of 2017 with respect to bonus depreciation by requiring an addition to taxable income in an amount equal to 100% of any amount deducted for federal income tax purposes as bonus depreciation for the taxable year pursuant to s. 13201 of Public Law number 115-97 from property put in place after September 26, 2017 and before January 1, 2027. Florida law provides for a subtraction of one-seventh of the amount of bonus depreciation added back in the first year and each of the subsequent six years, and this subtraction will apply to any amounts added back due to decoupling from bonus depreciation provided under the Tax Cuts and Jobs Act of 2017.

HB 7093 also creates section 220.1105, Florida Statutes, to read:

220.1105 Tax imposed; automatic refunds and downward adjustments to tax rates. —

(1) As used in this section, the term:

(a) "Net collections" means the total amount of taxes collected under this chapter by the department in the 2018-2019 fiscal year, including related interest and penalties, minus the total amount of refunds of taxes levied under this chapter and issued by the department in that fiscal year. No later than September 1, 2019, the Office of Economic and Demographic Research shall determine net collections for the 2018-2019 fiscal year.

(b) "Forecasted net collections" means the amount of net collections forecasted for the 2018-2019 fiscal year by the Revenue Estimating Conference on February 23, 2018.

(c) "Adjusted forecasted collections" means forecasted net collections for the 2018-2019 fiscal year multiplied by 1.07.

(d) "Tax rate imposed" is the tax rate as defined in ss. 220.11(2) and 220.63(2) adjusted as set forth in this section.

(2) The tax rate imposed shall be adjusted based on net collections in the 2018-2019 fiscal year. If the net collections exceed the adjusted forecasted collections, the tax rate imposed for taxable years beginning on or after January 1, 2019, shall be the tax rate imposed for taxable years beginning on or after January 1, 2018, multiplied by the quotient of the adjusted forecasted collections divided by the net collections. The resulting tax rate shall be rounded to the nearest thousandth and rounded down if the fourth digit to the right of the decimal point is the number five.

(3) By October 1, 2019, the Department of Revenue shall calculate the tax rate imposed, if it is to be adjusted pursuant to subsection (2), and shall on that same date report the results of such calculation to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(4) Any amount by which net collections exceed adjusted forecasted collections for the 2018-2019 fiscal year shall only be used to provide refunds to corporate income tax payers as follows:

(a) For purposes of this subsection:

1. "Eligible taxpayer" means a taxpayer whose taxable year begins between April 1, 2017, and March 31, 2018, and whose final tax liability for such taxable year is greater than zero.

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax, Insurance Premium Tax

Issue: Corporate Income Tax Piggyback

Bill Number(s): HB 7093 Enrolled

2. "Excess collections" means the amount by which net collections for the 2018-2019 year exceed adjusted forecasted collections for that fiscal year.

3. "Final tax liability" means the taxpayer's amount of tax due under this chapter for a taxable year, reported on a return filed pursuant to s. 220.222, including a return filed timely pursuant to a valid extension.

4. "Total eligible tax liability" means the sum of final tax liabilities of all eligible taxpayers.

5. "Taxpayer refund share" means an eligible taxpayer's final tax liability as a percentage of the total eligible tax liability.

6. "Taxpayer refund" means the taxpayer refund share multiplied by the excess collections.

(b) No later than February 15, 2020, the department shall determine total eligible tax liability, the taxpayer refund share for each eligible taxpayer, and the taxpayer refund for each eligible taxpayer.

(c) No later than March 1, 2020, the department shall refund a taxpayer refund to each eligible taxpayer.

(5) Tax rate adjustments pursuant to this section are repealed for taxable years beginning on or after January 1, 2020.

Section 2: Description of Data and Sources

- *Estimated Budget Effects Of The Conference Agreement For H.R.1, The "Tax Cuts And Jobs Act," As Passed By The House Of Representatives, And As Amended By The Senate* (Joint Committee on Taxation; 12/18/2017)
- *Estimated Budget Effects Of The Revenue Provisions Contained In The "Bipartisan Budget Act Of 2018"* (Joint Committee on Taxation; 2/08/2018)
- *Conference Agreement for HR 1 – Initial Observations* (KPMG; 12/20/17)
- Conversations between staff at the Department of Revenue and the Joint Committee on Taxation (JCT)

Section 3: Methodology (Include Assumptions and Attach Details)

To begin its review for Florida, the Revenue Estimating Conference (REC) used the Joint Committee on Taxation's analysis of the Tax Cuts and Jobs Act. In that document, JCT segregated the Act's specific tax provisions into three types: individual tax reform, business tax reform, and international tax reform. The REC concentrated on the business and international provisions since they were most likely to affect Corporate Income Tax (CIT) collections. The JCT allocated their estimates across federal fiscal years, indicating that the federal impacts reflect the expected timing of estimated payments, tentative payments and final returns. For some of the business tax reform items, the JCT staff further identified the expected split between CIT and Personal Income Tax (PIT). Where provided, those shares were used to adjust the JCT analysis.

The methodology for the preliminary review is as follows:

1. The JCT analysis was transformed from a display of federal fiscal impacts to tax base impacts. In order to identify the impact on the base, the newly authorized federal tax rate of 21% was used. In those instances where JCT had provided a split between CIT and PIT, an effective rate of 19% was used to convert the PIT portion.
2. Once converted to federal tax base impacts, the base impacts were shared to Florida by assuming that Florida has 3.6% of the federal tax base. This share was calculated by using the following formula:
$$\frac{\text{Sum}(\frac{\text{Florida CIT Collections}_{1998-2017}}{5.5\% \text{ (Florida Stated Rate)}})}{\text{Sum}(\frac{\text{Federal CIT Collections}_{1999-2017}}{35\% \text{ (Federal Stated Rate)}})} \cdot \text{Over a}$$
twenty-year period, the result was 3.5%. However, the more recent years were all greater than 3.5%, prompting the REC to use 3.6% in its preliminary review.
3. Florida's CIT tax rate of 5.5% was then applied to Florida's share of the tax base.
4. As a general rule, the preliminary review assumed that Florida's specific impact reflected the same share of the state's tax base as JCT assumed for the federal tax base, effectively making 100% of the adjustment flow through to the state's portion of the federal tax base (the 3.6% adjustment described above). This assumption was relaxed when it was known to be unlikely. Many categories were left at 100% by default, meaning simply that there was no specific basis to adjust from 100% at this time. This should not be interpreted to mean that there is confidence in every instance that this will be the ultimate result. The known adjustments are identified below:
 - a. The impact affected partnerships. For those provisions, the scale factor was set at 2% to recognize the limited impact that would come in those instances where a corporation is a partner or where the partnership chooses to be treated as a corporation at the federal level.
 - b. New credits created at the federal level. The creation of a credit at the federal level is accompanied by a federal requirement to add back any deduction previously associated with those expenses. Florida picks up federal taxable income after this addition, meaning that the creation of a new federal credit typically generates additional

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax, Insurance Premium Tax

Issue: Corporate Income Tax Piggyback

Bill Number(s): HB 7093 Enrolled

revenue for Florida due to the elimination of the related deduction. These impacts were assumed to occur at -26% of the federal impact. The negative recognizes that this impact is positive to Florida, even though it is negative at the federal level. The 26% is derived from the relative stated rates of Florida and the federal government (5.5% and 21%, respectively).

- c. Unique Florida circumstances. Examples include impacts related to citrus production, transportation fringe benefits, and craft beverage modernization.
 - d. Insurance Sector. In those instances where the impacts occurred within the insurance sector, a 15% scale factor was used. That factor was used to recognize that there would be at least a partial offset to the positive CIT impact from the associated credit against Florida's Insurance Premium Tax. That credit is limited, so the 15% factor was used under the assumption that only 85% of any increase would be credited against the Insurance Premium Tax due to the cap limit.
 - e. No state impact given Florida's tax structure. In those instances where there is no feed through to Florida because our specific tax structure does not allow it, the scale factor was set to zero.
 - f. Due to HB 7093 decoupling from Bonus Depreciation, the scale factor for Bonus Depreciation was set to zero.
 - g. Due to HB 7093 decoupling from the additional expensing over \$500,000 under section 179, the scale factor for the increased section 179 expensing was set to zero.
5. The attributed Florida impacts were then converted from federal fiscal years to state fiscal years. To make this conversion, the Florida CIT collections by month were examined over the period covering the 2011 to 2016 calendar years. The percent of total annual collections for the months of July, August and September was calculated to be 21.07%. This share was used to convert federal fiscal years to state fiscal years under the assumption that federal receipts would have the same percentage share of total collections as Florida does for this three-month period.

The same assumptions and basic methodology were used to analyze the impacts of the tax extenders authorized in the Bipartisan Budget Act of 2018.

To adopt the Florida dollar impacts suggested by the preliminary review as point estimates, a series of overarching assertions would have to be made by the Conference. Specifically:

1. The JCT analysis reasonably estimates the impacts at the federal level and applied approximately the same standards that the REC would use.
2. The application of a 3.6% share of the federal CIT tax base provides a reasonably correct representation of Florida.
3. The tax provisions retained at a 100% flow-through from the federal tax base to the state's portion are, in fact 100%, and not something lower.
4. For those tax provisions affecting the treatment of foreign-related income, the impacts are appropriately shared to Florida. Moreover, there are no constitutional restrictions that prevent an impact from occurring in Florida.
5. There will be no material tax planning response to the CIT tax changes. In this regard, it is important to note that the federal changes will have behavioral ramifications at the federal level, across the multiple states that have CIT, and within Florida. Some of these effects will be interactive. As corporations consider strategies for tax minimization, it is unclear what changes will occur between states.
6. For those instances where federal policies need to be developed but the development has not yet occurred, the final results will not materially alter the understanding the REC currently has of the new tax provisions.

Additionally, the provisions regarding the rate adjustment and refunds work to create additional uncertainty as to the impact of HB 7093. If the provisions are not triggered, the impact of the legislation is affected by the issues discussed above. If the rate reduction and refund provisions are triggered, corporate tax revenues during the forecast period will be lower than otherwise.

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax, Insurance Premium Tax

Issue: Corporate Income Tax Piggyback

Bill Number(s): HB 7093 Enrolled

Section 4: Proposed Fiscal Impact: The table below has intentionally been left blank.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2018-19						
2019-20						
2020-21						
2021-22						
2022-23						

List of affected Trust Funds:

CIT Group

IPT Group

Section 5: Consensus Estimate (Adopted: 05/03/2018): On March 2, 2018, the Conference reviewed an earlier draft of the bill (including the effect of a proposed amendment). The Conference adopted plus/minus, indeterminate cash estimates for Fiscal Years 2017-2018 and 2018-2019; positive, indeterminate cash for all years thereafter; and positive, recurring impacts for all years of the forecast for HB 7093 with Proposed Amendment.

The version of the bill reviewed on March 2nd (HB 7093 with amendment 691223) decouples from both bonus depreciation and the increase in the section 179 expensing, as well as provides an automatic rate reduction. While the Conference discussed the possibility of a unique impact from the automatic rate reduction, it determined that it is impossible to predict a probable impact. In this regard, the current forecast for corporate income tax collections is presumed correct.

In its discussion of the overall estimate, the Conference expressly did not adopt any of the specific amounts or assumptions associated with the individual provisions that are shown in the accompanying documents. Since the Conference was unable—at that time—to accept the six overarching assertions (identified at the bottom of Section 3) that are considered critical to making point estimates, these documents have been provided for illustration only. However, the Conference did determine that there was sufficient certainty to adopt directional impacts for each year in the forecast period.

The final version of the bill (HB 7093, Enrolled) still decouples from bonus depreciation, but now piggybacks the increase in section 179 expensing. In addition, while it continues to provide an automatic rate reduction and refund of taxes under certain circumstances, the language differs from the previous version. The Conference determined that the proposed decoupling has the same directional impact as the estimate previously adopted for HB 7093 with Proposed Amendment. The Conference further determined that the changes to the automatic rate reduction and tax refund provisions did not alter the original impact adopted on March 2nd: in other words, should they occur, the impact would be negative and indeterminate, but likely would not be sufficient to result in the overall impact of the bill becoming negative in Fiscal Years 2019-20 and thereafter.

Ultimately, the Conference retained the same estimate for the enrolled version of the bill that was previously adopted: plus/minus indeterminate cash estimates for Fiscal Years 2017-2018 and 2018-2019; positive, indeterminate cash for all years thereafter; and positive, recurring impacts for all years of the forecast.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2018-19	+/-	**	0.0	0.0	0.0	0.0	+/-	**
2019-20	**	**	0.0	0.0	0.0	0.0	**	**
2020-21	**	**	0.0	0.0	0.0	0.0	**	**
2021-22	**	**	0.0	0.0	0.0	0.0	**	**
2022-23	**	**	0.0	0.0	0.0	0.0	**	**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V		
1	ESTIMATED BUDGET EFFECTS OF THE CONFERENCE AGREEMENT FOR H.R. THE "TAX CUTS AND JOBS ACT"																			>\$250M =1	KPMG Feb		
2	Fiscal Years 2018 - 2027	Florida share of Taxable income	3.60%																	>\$90M and <250M	6 Report		
3	[Millions of Dollars]	Florida Tax Rate	5.50%																	= 2	Page		
	Provision	Multiple source impact	Source for Split	Florida Impact Factor	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018 - 2022	2018 - 2027	Five Year Impact	< \$90 M =3	Number			
4																							
5	II. Business Tax Reform																						
6	A.	1	Repeal of Alternative Minimum Tax on Corporations [2]....	100%	tyba 12/31/17	-\$64.11	-\$65.06	-\$62.23	-\$64.11	-\$66.00	-\$12.26	-\$12.26	-\$12.26	-\$11.31	-\$10.37	-\$321.51	-\$379.97	1		40			
7	B.	2	21 Percent Corporate Tax Rate.....	0%	tyba 12/31/17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	3		44			
8	C. Small Business Reforms	3	1. Increase section 179 expensing to \$1 million with phaseout range beginning at \$2.5 million and expand definition of qualified property	JCT 11%	ppsi tyba 12/31/17	-\$4.83	-\$7.61	-\$4.21	-\$2.67	-\$2.06	-\$1.54	-\$1.03	-\$0.92	-\$0.92	-\$0.92	-\$21.38	-\$26.72	3		44			
9	C. Small Business Reforms	4	2. Simplified accounting for small business.....	JCT 32%	[12]	-\$23.00	-\$22.70	-\$9.99	-\$6.36	-\$5.15	-\$4.54	-\$4.84	-\$5.15	-\$5.15	-\$5.45	-\$67.19	-\$92.31	3		58			
10	D. Cost Recovery	6	1. Extension, expansion, and phase down of bonus depreciation (sunset 12/31/26) [13].....	PCS for SB 502 Decoupling 0%	paas 9/27/17 apbasd & spoga 9/27/17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1		44			
11	D. Cost Recovery	7	2. Limit net interest deductions to 30 percent of adjusted taxable income, carryforward of denied deduction.....	JCT 96%	tyba 12/31/17	\$75.64	\$159.38	\$177.38	\$176.48	\$224.21	\$271.93	\$266.53	\$286.34	\$312.45	\$332.26	\$813.09	\$2,282.59	1		48			
12	D. Cost Recovery	8	3. Modify treatment of S corporation conversions into C Corporation	80%	DOE	-\$3.77	-\$3.77	-\$4.53	-\$4.53	-\$4.53	-\$4.53	-\$4.53	-\$5.28	-\$5.28	-\$5.28	-\$21.12	-\$46.01	3		83			
13	D. Cost Recovery	9	4. Modifications to depreciation limitations on luxury automobiles and personal use property	100%	ppisa 12/31/17	----- Estimate Included in Item II.D.1. -----																	
14	D. Cost Recovery	10	5. Modifications of treatment of certain farm property.....	100%	ppisa 12/31/17	[3]	[3]	[3]	-\$0.94	-\$1.89	-\$2.83	-\$1.89	-\$0.94	[3]	[3]	-\$2.83	-\$8.49	3		47			
15	D. Cost Recovery	11	6. Modification of net operating loss deduction.....	JCT 91%	lai tyba 12/31/17	\$54.85	\$85.71	\$95.13	\$136.27	\$215.98	\$292.26	\$308.54	\$258.83	\$178.27	\$97.70	\$587.94	\$1,723.54	1		41			
16	D. Cost Recovery	12	7. Repeal like-kind exchanges except for real property.....	100%	generally eca 12/31/17	\$4.71	\$8.49	\$12.26	\$16.03	\$20.74	\$27.34	\$35.83	\$44.31	\$54.69	\$67.89	\$62.23	\$292.29	3		53			
17	D. Cost Recovery	13	8. Applicable recovery period for real property.....	100%	ppisa 12/31/17	-\$0.94	-\$0.94	-\$2.83	-\$3.77	-\$4.71	-\$6.60	-\$5.66	-\$6.60	-\$8.49	-\$5.66	-\$13.20	-\$46.20	3		47			
18	D. Cost Recovery	14	9. Amortization of research and experimental expenditures.....	JCT 77%	apoi tyba 12/31/21	---	---	---	---	\$175.24	\$238.23	\$188.27	\$136.86	\$82.55	\$45.62	\$175.24	\$866.76	2		46			
19	D. Cost Recovery	15	10. Expensing of certain costs of replacing citrus plants lost by reason of a casualty (sunset 12/22/27).....	100%	apoi DOE	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$0.52	-\$2.62	-\$5.24	3		48			
20	E. Business-Related Deductions	16	1. Repeal of deduction for income attributable to domestic production activities	JCT 77%	tyba 12/31/17	\$31.14	\$64.45	\$67.34	\$69.51	\$71.69	\$74.58	\$77.48	\$80.38	\$79.65	\$88.34	\$304.13	\$704.56	1		52			
21	E. Business-Related Deductions	17	2. Limitation on deduction by employers of expenses for fringe benefits:	100%																			
22	E. Business-Related Deductions	18	a. Meals and entertainment expenses, including meals for the convenience of the employer [14].....	100%	apoi a 12/31/17 & a	\$15.09	\$20.74	\$20.74	\$21.69	\$21.69	\$22.63	\$22.63	\$23.57	\$26.40	\$26.40	\$99.94	\$221.57	2		54			
23	E. Business-Related Deductions	19	b. Repeal deduction for qualified transportation fringes, including commuting except as necessary for employee's safety [15].....	50%	apoi a 12/31/17	\$5.66	\$7.54	\$8.01	\$8.01	\$8.49	\$8.49	\$8.96	\$8.96	\$9.43	\$9.43	\$37.71	\$82.97	3		55			
24	E. Business-Related Deductions	20	c. Clarification of tangible personal property deductible as employee achievement award	100%	apoi a 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]						
25	E. Business-Related Deductions	21	3. Eliminate deduction for member of Congress living expenses	100%	tyba DOE	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]						
26	E. Business-Related Deductions	22	4. UBTI increased by amount of certain fringe benefit expenses for which deduction is disallowed	100%	apoi a 12/31/17	----- Estimate Included in Items II.E.2.b. -----																	
27	E. Business-Related Deductions	23	5. Repeal of rollover of publicly traded securities gain into specialized small business investment companies	100%	sa 12/31/17	\$0.94	\$1.89	\$1.89	\$1.89	\$1.89	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$8.49	\$13.20	3		53			
28	E. Business-Related Deductions	24	6. Certain self-created property not treated as a capital asset....	100%	Da 12/31/17 tyba 12/31/17	[3]	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$3.77	\$8.49	3		52			
29	F. Accounting Methods	25	1. Certain special rules for taxable year of inclusion (in general)	100%	tyba 12/31/17	\$11.31	\$16.03	\$16.03	\$16.03	\$6.60	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$66.00	\$75.43	3		56			
30	F. Accounting Methods	26	2. Certain special rules for taxable year of inclusion (related to original issue discount and other similar items).....	100%	[16]	\$0.00	\$2.83	\$6.60	\$6.60	\$6.60	\$6.60	\$6.60	\$3.77	\$1.89	\$1.89	\$22.63	\$43.37	3		56			
31	G. Business Credits	27	1. Modification of credit for clinical testing expenses for certain drugs for rare diseases or conditions	-26%	apoi tyba 12/31/17	-\$1.73	-\$4.20	-\$5.19	-\$6.18	-\$7.41	-\$8.65	-\$9.88	-\$11.12	-\$12.35	-\$13.59	-\$24.70	-\$80.28	3		60			
32	G. Business Credits	28	2. Modify Rehabilitation credit to provide 20% historic credit ratably over 5 years, repeal credit for pre-1936 property	-2%	[17]	[5]	-\$0.06	-\$0.11	-\$0.11	-\$0.09	-\$0.06	-\$0.04	-\$0.04	-\$0.04	-\$0.04	-\$0.38	-\$0.58	3		60			
33	G. Business Credits	29	3. Provide a tax credit to certain employers who provide family and medical leave (sunset 12/31/19)	-26%	tyba 12/31/17	\$1.73	\$3.71	\$2.72	\$1.24	\$0.74	\$0.49	\$0.00	\$0.00	\$0.00	\$0.00	\$10.13	\$10.62	3		60			
34	H. Banks and Financial Instruments	30	1. Limitation on deduction for FDIC premiums	100%	tyba 12/31/17	\$4.71	\$14.14	\$14.14	\$14.14	\$14.14	\$15.09	\$15.09	\$16.03	\$16.03	\$16.03	\$61.29	\$139.54	3		87			
35	H. Banks and Financial Instruments	31	2. Repeal of advance refunding bonds	20%	ar bia 12/31/17	\$0.75	\$2.07	\$2.64	\$3.21	\$3.77	\$3.96	\$3.96	\$4.15	\$4.15	\$4.15	\$12.45	\$32.81	3		90			
36	H. Banks and Financial Instruments	32	3. Repeal of tax credit bonds [2]	100%	bia 12/31/17	[5]	[5]	[5]	[5]	[5]	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$4.71		3		89			
37	I. Compensation	33	1. Modification of limitation on excessive employee remuneration, with transition rule [18]	100%	tyba 12/31/17	[5]	\$9.43	\$9.43	\$9.43	\$9.43	\$9.43	\$9.43	\$9.43	\$9.43	\$10.37	\$16.03	\$37.71	\$92.40	3		65		

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V		
	Provision			Multiple source impact	Source for Split	Florida Impact Scale Factor	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018 - 2022	2018 - 2027	Five Year Impact			
4																							
38	II	I. Compensation	34	2. 21-percent excise tax on excess tax-exempt organization executive compensation (certain exceptions provided to non-highly compensated employees, and for medical services)		0%	tyba 12/31/17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
39	II	I. Compensation	35	3. Treatment of qualified equity grants		100%	[19]	-\$1.89	-\$1.89	-\$1.89	-\$1.89	-\$0.94	[3]	[3]	[3]	[3]	-\$0.94	-\$8.49	-\$9.43	3	66		
40	II	I. Compensation	36	4. Increase the excise tax on stock compensation in an inversion from 15 percent to 20 percent.....		0%	DOE	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]				
41	II	J. Insurance	37	1. Net operating losses of life insurance companies	CIT and IPT	15%	lai tyba 12/31/17	----- Estimate Included in Item IL.D.6 -----															
42	II	J. Insurance	38	2. Repeal of small life insurance company deduction.....	CIT and IPT	15%	tyba 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]				
43	II	J. Insurance	39	3. Adjustment for change in computing reserves....	CIT and IPT	15%	tyba 12/31/17	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.71	\$1.41	3	95	
44	II	J. Insurance	40	4. Repeal of special rule for distributions to shareholders from pre-1984 policyholders surplus account.....	CIT and IPT	15%	tyba 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]			
45	II	J. Insurance	41	5. Modification of proration rules for property and casualty insurance companies	CIT and IPT	15%	tyba 12/31/17	\$0.14	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$1.27	\$2.69	3	96	
46	II	J. Insurance	42	6. Repeal of special estimated tax payments	CIT and IPT	15%	tyba 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]			
47	II	J. Insurance	43	7. Computation of life insurance reserves	CIT and IPT	15%	tyba 12/31/17	\$1.27	\$2.40	\$2.40	\$2.40	\$2.55	\$2.55	\$2.69	\$1.70	\$0.85	\$11.03	\$21.36			3	97	
48	II	J. Insurance	44	8. Modification of rules for life insurance proration	CIT and IPT	0%	tyba 12/31/17	[5]	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
49	II	J. Insurance	45	9. Capitalization of certain policy acquisition expenses	CIT and IPT	15%	tyba 12/31/17	\$0.14	\$0.57	\$0.85	\$0.99	\$0.99	\$1.13	\$1.27	\$1.27	\$1.41	\$1.56	\$3.54	\$10.18	3	98		
50	II	J. Insurance	46	10. Tax reporting for life settlement transactions	CIT and IPT	15%	tyba 12/31/17	[3]	[3]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	\$0.14	\$0.14	\$0.00	\$0.28			
51	II	J. Insurance	47	11. Clarification of tax basis of life insurance contracts	CIT and IPT	15%	tea 12/31/17	----- Estimate Included in Item IL.J.8. -----															
52	II	J. Insurance	48	12. Exception to transfer for valuable consideration rule	CIT and IPT	15%	ta 12/31/17	----- Estimate Included in Item IL.J.8. -----															
53	II	J. Insurance	49	13. Modification of property and casualty insurance company discounting rules	CIT and IPT	15%	tyba 12/31/18	\$0.42	\$2.55	\$2.55	\$2.55	\$2.55	\$1.13	\$2.40	\$1.98	\$0.85	\$0.42	\$10.61	\$17.40	3	101		
54	II	K. Partnerships	50	1. Tax gain on the sale of a partnership interest on look-thru basis		2%	seado/a 11/27/17 & seada 12/31/17	[5]	\$0.04	\$0.06	\$0.06	\$0.08	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.11	\$0.23	\$0.72	3	76	
55	II	K. Partnerships	51	2. Expand the definition of substantial built-in loss for purposes of partnership loss transfers		2%	topia 12/31/17	[3]	[3]	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.06	\$0.15	3	79	
56	II	K. Partnerships	52	3. Charitable contributions and foreign taxes taken into account in determining limitation on allowance of partner's share of loss		2%	tyba 12/31/17	[5]	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.04	\$0.04	\$0.04	\$0.08	\$0.23	3	80		
57	II	K. Partnerships	53	4. Repeal of technical termination of partnerships of at least \$500,000		2%	ptyba 12/31/17	\$0.02	\$0.04	\$0.02	\$0.02	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.13	\$0.32	3	83		
58	II	L. Tax-Exempt Organizations	54	1. Excise tax based on investment income of private colleges and universities with endowment per student of at least \$500,000.....		0	tyba 12/31/17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
59	II	L. Tax-Exempt Organizations	55	2. Unrelated business taxable income separately computed for each trade or business activity		100%	generally tyba 12/31/17	\$1.89	\$2.83	\$2.83	\$2.83	\$3.77	\$3.77	\$3.77	\$3.77	\$3.77	\$3.77	\$3.77	\$14.14	\$33.00	3	103	
60	II	L. Tax-Exempt Organizations	56	3. Charitable deduction not allowed for amounts paid in exchange for college athletic event seating rights		100%	cmi tyba 12/31/17	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$9.43	\$18.86	3	104	
61	II	L. Tax-Exempt Organizations	57	4. Repeal substantiation exception for charitable contributions reported by donee organization		100%	cmi tyba 12/31/17	----- Negligible Revenue Effect -----															
62	II	M. Other Provisions	58	1. Modify tax treatment of Alaska Native Corporations and Settlement Trusts		100%	[20]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]			
63	II	M. Other Provisions	59	2. Expansion of qualifying beneficiaries of an electing small business trust, and modify charitable contribution deduction for electing small business trust		100%	1/1/18 feoqb & tyb	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]			
64	II	M. Other Provisions	60	3. Craft beverage modernization and tax reform (sunset 12/31/19)		20%	generally 1/1/18	-\$3.02	-\$2.83	-\$2.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$7.92	-\$7.92	3	137	
65	II	M. Other Provisions	61	4. Exempt amounts paid for aircraft management services from the excise taxes imposed on transportation by air		100%	apa DOE	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]			
66	II	M. Other Provisions	62	5. Create qualified opportunity zones.....		100%	DOEapoa DOE	-\$11.31	-\$16.03	-\$15.09	-\$16.03	-\$15.09	-\$14.14	-\$14.14	-\$15.09	\$76.37	\$25.46	-\$73.54	-\$15.09	3	61		
67	II	M. Other Provisions	63	6. Deny deduction for settlements subject to a nondisclosure agreement paid in connection with sexual harassment.....		100%	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]			
68	II	M. Other Provisions	64	7. Expand provision relating to the non-deductibility of fines and penalties		100%	apoa/a DOE	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]			
69	II	M. Other Provisions	65	8. Repeal of deduction for local lobbying expenses.....		100%	apoa/a DOE	[5]	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$0.94	\$3.77	\$8.49	3	55	
70	II	M. Other Provisions	66	9. Revision of treatment of contributions to capital.....		100%	[21]	\$0.94	\$1.89	\$3.77	\$6.60	\$9.43	\$9.43	\$8.49	\$7.54	\$6.60	\$5.66	\$22.63	\$60.34	3	162		

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
	Provision			Multiple source impact	Source for Split	Florida Impact Scale Factor	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018 - 2022	2018 - 2027	Five Year Impact	
4	M. Other Provisions	67	10. Recharacterization of certain gains on property held for fewer than 3 years in the case of partnership profits interest held in connection with performance of investment services			2%	tyba 12/31/17	\$0.04	\$0.04	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.13	\$0.23	3	?
71																					
72																					
73																					
74																					
75																					
76																					
77																					
78																					
79																					
80																					
81																					
82																					
83																					
84																					
85																					
86																					
87																					
88																					
89																					
90																					
91																					
92																					
93																					
94																					
95																					
96																					

