

TIP 98C2-01
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Florida Department of Revenue
Intangible Tax Law Changes for 1999

The 1998 Legislature made several changes regarding intangible personal property tax assessed on January 1, 1999 (due by June 30, 1999). Those changes are:

- * Individual and Joint Filers: If your tax due is less than \$60 before discount, you do not have to pay the tax and you do not have to file a return. If you received a preprinted return and your tax due is less than \$60, we recommend that you telefile (1-800-550-6713) to avoid future contact for this tax year.

- * Corporation, Partnership and Fiduciary Filers: If your tax due is less than \$60 before discount, no tax payment is required; however, the return must still be filed.

- * One-third of business accounts receivable arising or acquired in the ordinary course of trade or business are exempt.

- * Penalties have been reduced:
 - * The penalty for late filing has been reduced to 10% per month, or portion of a month, not to exceed a maximum of 50% of the tax due.

Note: the penalty for delinquent payment of the intangible tax remains at 10% per month, or portion of a month, not to exceed a maximum of 50% of the tax due.

- * The total maximum combined penalty for late filing and delinquent payment of tax cannot exceed 50% of the tax due.

- * The penalties for undervalued or omitted property have

been reduced to 10% of the tax attributed to the omission or undervaluation.

- * The IRA exemption now includes Roth IRAs and Educational IRAs.
- * Non-transferable options granted under an Employee Stock Incentive Plan are exempt.
- * All Real Estate Mortgage Investment Conduits (REMICs) are now exempt.
- * Credit card receivables owned by Florida banks are taxable only if the debt is owed by a Florida resident.
- * Bank trust departments are required to file a bank master return for their trust accounts using machine sensible media.

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For more information call Tax Information Services, Monday - Friday, 8:00 a.m. to 5:00 p.m., ET, at 850-488-6800.

Hearing or speech impaired persons should call our TDD at 1-800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, PO Box 7443, Tallahassee, FL 32314-7443.

Also, visit our Web site at <http://sun6.dms.state.fl.us/dor/> for forms and other information.

Get tax forms quickly by FAX ON DEMAND. Call 850-922-3676,

twenty-four hours a day, seven days a week, using your fax machine handset and follow the instructions.

References:

Chapters 98-132 and 98-342, Laws of Florida