



TAXATION IN FLORIDA

Corporate Income Tax

The Florida corporate income/franchise tax is imposed on all corporations for the privilege of conducting business, deriving income, or existing within Florida.

A corporation doing business outside Florida may apportion its total income. Adjusted federal income is usually apportioned to Florida using a **three-factor formula**. The formula is a weighted average, designating **25% each to factors for property and payroll, and 50% to sales**.

Florida corporate income/franchise tax is computed using federal taxable income, modified by certain Florida adjustments, additions, and subtractions, to determine adjusted federal income.

Taxpayer should **add non-business income allocated to Florida** to the Florida portion of adjusted federal income. Taxpayer should then **subtract an exemption** (USD 50,000) to arrive at Florida net income. Finally, the tax should be computed by multiplying Florida net income by the appropriate tax rate of **5.5%**.



Tax Return Filing Requirement

Type of Entities	Forms to be filed	Due Date	Extension of time to file
C Corporation	F - 1120	Form F-1120 is due on the later of: a) For Tax year ending June 30 – 1 st day of October For Tax year ending Dec 31 – 1 st day of May b) 15 th day from due date of filling federal tax return for the taxable year.	File Form F – 7004 for extension of time to file the return. Tax year ending 30 June – 7 Months from the due date of filing the return. Tax year ending 31 December – 6 Months from the due date of filing the return.
S Corporation who files federal Form 1120S			
LLC classified as corporation			
LLC classified as partnership	F - 1065	First day of fourth month from close of taxable year.	6 Months



Estimated Tax Payment

01

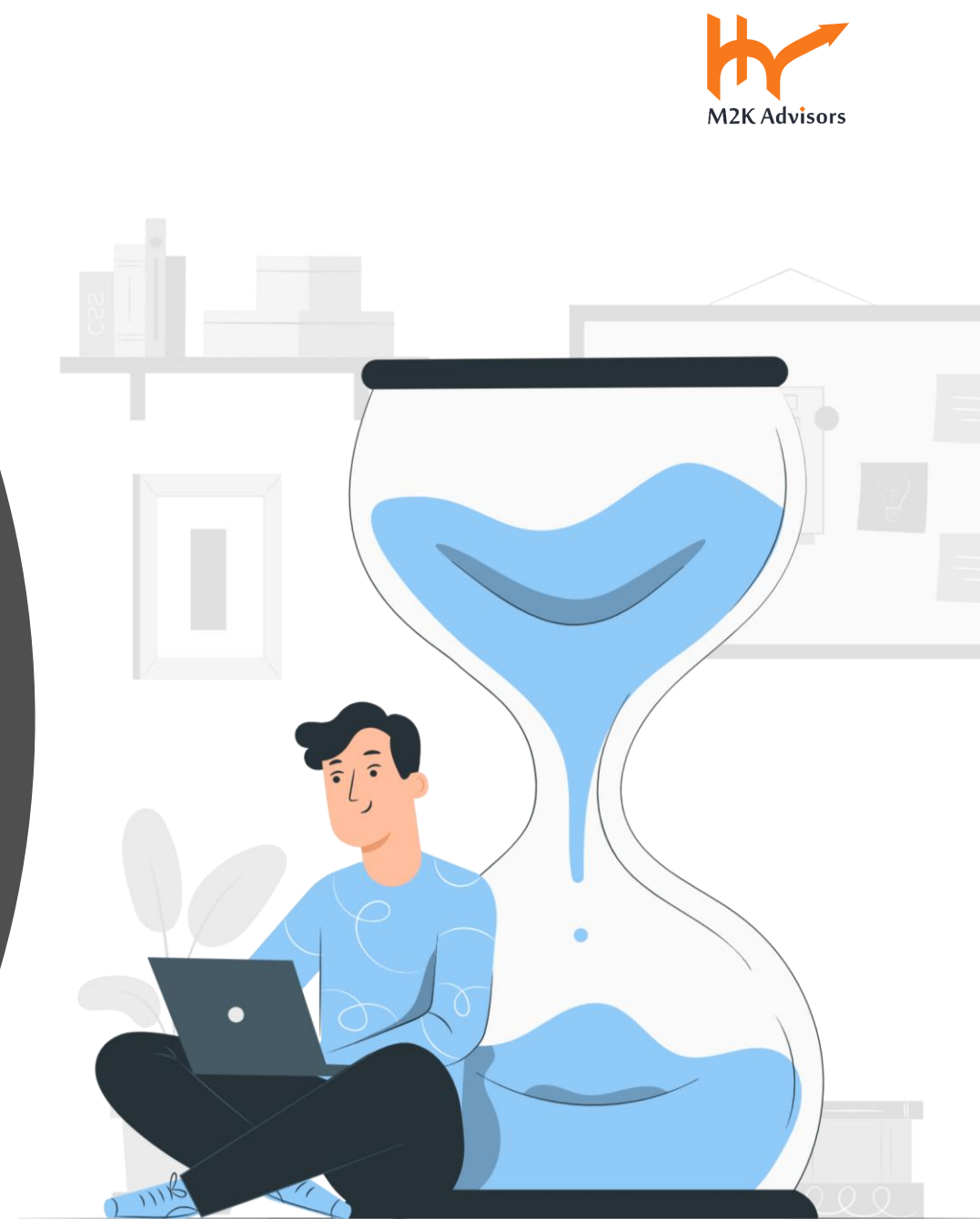
Every domestic or foreign corporation or other entity subject to taxation must report estimated tax for the taxable year if the amount of income tax liability for the year is expected to be more than USD 2,500. **Form 2220** is used for calculation of estimated tax payments.

02

Generally, for **tax years ending June 30**, the declaration or payment of estimated tax is due on or before the last day of the 4th month, the last day of the 6th month, the last day of the 9th month, and the last day of the tax year.

03

For **tax years not ending on June 30**, the declaration or payment of estimated tax is due on or before the last day of the 5th month, the last day of the 6th month, the last day of the 9th month, and the last day of the tax year.



Interest and Penalty

Electronic Filing

The penalty is 5% of the tax due for each month the return is not filed electronically. The penalty cannot exceed USD 250 in total. If no tax is due, the penalty is USD 10.

Interest Payments

A floating rate of interest applies to underpayments, late payments, and overpayments of corporate income tax. The floating interest rate is updated on January 1 and July 1 of each year.

Underpayment of Estimated Tax

The penalty for underpayment of estimated tax is 12% per year. If there is an underpayment estimated tax, complete Florida Form F-2220, Underpayment of Estimated Tax on Florida Corporate Income/Franchise Tax & attach it to Florida Form F-1120 at the time of submission

Penalties

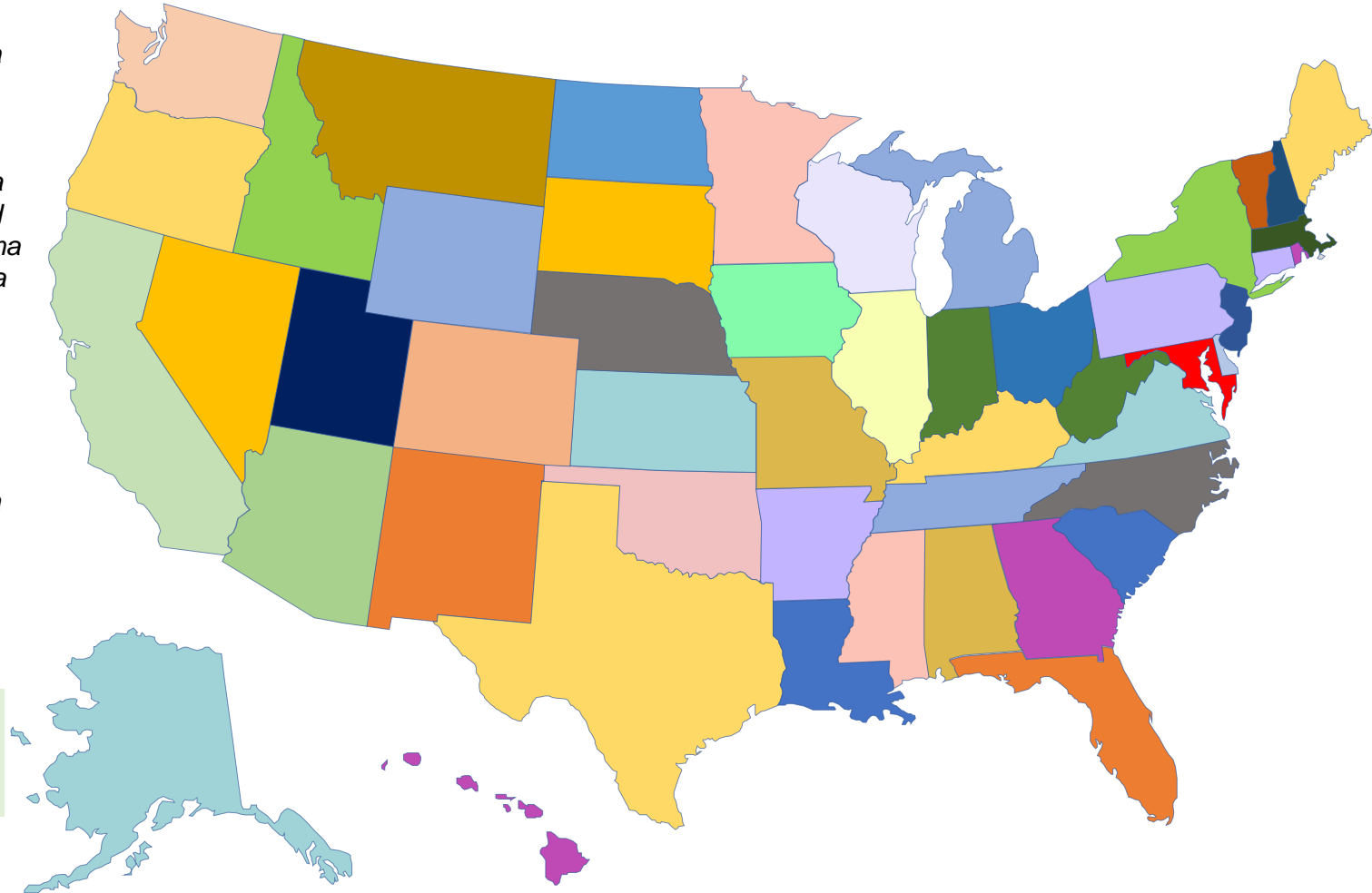
A penalty of 10% per month is levied for late filing of return (not exceeding 50% of the tax due). If no tax is due & the tax return is filed late, the penalty is USD 50 per month, not to exceed USD 300.



Upcoming Series

Please find below the list of completed alerts from the series. In case you have missed the previous alerts, click on the hyperlink for the completed alerts to refer the same.

- | | | |
|--------------------------------|--------------------|--------------------|
| 1. Delaware | 18. Kansas | 35. North Dakota |
| 2. New Jersey | 19. Kentucky | 36. Ohio |
| 3. California | 20. Louisiana | 37. Oklahoma |
| 4. Alabama | 21. Maine | 38. Oregon |
| 5. Alaska | 22. Maryland | 39. Pennsylvania |
| 6. Arizona | 23. Massachusetts | 40. Rhode Island |
| 7. Arkansas | 24. Michigan | 41. South Carolina |
| 8. Colorado | 25. Minnesota | 42. South Dakota |
| 9. Connecticut | 26. Mississippi | 43. Tennessee |
| 10. Columbia | 27. Missouri | 44. Texas |
| 11. Florida | 28. Montana | 45. Utah |
| 12. Georgia | 29. Nebraska | 46. Vermont |
| 13. Hawaii | 30. Nevada | 47. Virginia |
| 14. Idaho | 31. New Hampshire | 48. Washington |
| 15. Illinois | 32. New Mexico | 49. West Virginia |
| 16. Indiana | 33. New York | 50. Wisconsin |
| 17. Iowa | 34. North Carolina | 51. Wyoming |



In case you have downloaded the alert via LinkedIn, the links might not work, refer our website for the same - <https://www.m2kadvisors.com/>

THANK YOU

USA

M2K Advisors Inc

16192 Costal Highway,
Lewes, County of Sussex,
Delaware - 19958

Hyderabad - India

M2K Advisors LLP

Manjeera Trinity Corporate
JNTU Road, Plot No S2 ,
Telangana- 500072
Hyderabad

Singapore

M2K Advisors Pte Ltd

The Octagon,
105 Cecil Street, #13-02
Singapore 069534

Chennai - India

M2K Advisors LLP

7th Floor, Briley One,
No. 30/ 64 Ethiraj Salai,
Egmore, Chennai – 600 008,
Tamil Nadu, India

UAE - Dubai

M2K Advisors

701 C Aspin Commercial
Tower, Sheikh Zayed Road,
Trade Center First, Dubai
PO Box - 50810

For any queries, reach us at:

support@m2kadvisors.com



This deck is intended for general guidance only and hence should not be considered as an advice or opinion. We do not accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this deck. On any specific matter, reference should be made to the appropriate advisor.