

## Income/Franchise:

### Florida DOR Addresses Sourcing of Revenue Earned by Company Providing Asset Management Services

*Technical Assistance Advisement (TAA), No. 21C1-010*, Fla. Dept. of Rev. (3/5/21). The Florida Department of Revenue recently released an administrative ruling in response to a company providing asset management services globally to pension funds, large institutions, and individuals that requested guidance on how to source its service income, generally concluding that such company:

**URL:** <https://floridarevenue.com/TaxLaw/Documents/21C1-010.pdf>

- Must be treated as a financial organization, and
- Should compute its sales factor as directed by paragraph 220.15(5)(c), F.S., sourcing its income from asset management services to the location of the customer to whom such services are provided.

The ruling further explains that to the extent asset management services are provided to customers located in Florida, the income must be included in both the numerator and the denominator of the taxpayer's Florida sales factor. Additionally, the taxpayer's property factor must be computed as directed for financial organizations by applicable statute. Please contact us with any questions.

— Chris Snider (Miami)  
Managing Director  
Deloitte Tax LLP  
csnider@deloitte.com

Ian Lasher (Tampa)  
Managing Director  
Deloitte Tax LLP  
ilasher@deloitte.com

Ben Jablow (Tampa)  
Manager  
Deloitte Tax LLP  
bjablow@deloitte.com

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