

Amendment No. 1 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
1		.	
2		.	
3		.	
4		.	

ORIGINAL STAMP BELOW

The Committee on Finance & Taxation offered the following:

Amendment (with title amendment)

On page 1, between lines 21 and 22, of the bill

insert:

Section 4. Paragraph (h) of subsection (5) of section 212.08, Florida Statutes, is amended to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.--The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.--

(h) Business property used in an enterprise zone.--

1. Beginning July 1, 1995, business property purchased for use by businesses located in an enterprise zone which is subsequently used in an enterprise zone shall be exempt from the tax imposed by this chapter. This exemption inures to the business only through a refund of previously paid taxes. A

Amendment No. 1 (for drafter's use only)

1 refund shall be authorized upon an affirmative showing by the
2 taxpayer to the satisfaction of the department that the
3 requirements of this paragraph have been met.

4 2. To receive a refund, the business must file under
5 oath with the governing body or enterprise zone development
6 agency having jurisdiction over the enterprise zone where the
7 business is located, as applicable, an application which
8 includes:

9 a. The name and address of the business claiming the
10 refund.

11 b. The identifying number assigned pursuant to s.
12 290.0065 to the enterprise zone in which the business is
13 located.

14 c. A specific description of the property for which a
15 refund is sought, including its serial number or other
16 permanent identification number.

17 d. The location of the property.

18 e. The sales invoice or other proof of purchase of the
19 property, showing the amount of sales tax paid, the date of
20 purchase, and the name and address of the sales tax dealer
21 from whom the property was purchased.

22 f. Whether the business is a small business as defined
23 by s. 288.703(1).

24 g. If applicable, the name and address of each
25 permanent employee of the business, including, for each
26 employee who is a resident of an enterprise zone, the
27 identifying number assigned pursuant to s. 290.0065 to the
28 enterprise zone in which the employee resides.

29 3. Within 10 working days after receipt of an
30 application, the governing body or enterprise zone development
31 agency shall review the application to determine if it

Amendment No. 1 (for drafter's use only)

1 contains all the information required pursuant to subparagraph
2 2. and meets the criteria set out in this paragraph. The
3 governing body or agency shall certify all applications that
4 contain the information required pursuant to subparagraph 2.
5 and meet the criteria set out in this paragraph as eligible to
6 receive a refund. If applicable, the governing body or agency
7 shall also certify if 20 percent of the employees of the
8 business are residents of an enterprise zone, excluding
9 temporary and part-time employees. The certification shall be
10 in writing, and a copy of the certification shall be
11 transmitted to the executive director of the Department of
12 Revenue. The business shall be responsible for forwarding a
13 certified application to the department within the time
14 specified in subparagraph 4.

15 4. An application for a refund pursuant to this
16 paragraph must be submitted to the department within 6 months
17 after the business property is purchased.

18 5. The provisions of s. 212.095 do not apply to any
19 refund application made pursuant to this paragraph. The amount
20 refunded on purchases of business property under this
21 paragraph shall be the lesser of 97 percent of the sales tax
22 paid on such business property or \$5,000, or, if no less than
23 20 percent of the employees of the business are residents of
24 an enterprise zone, excluding temporary and part-time
25 employees, the amount refunded on purchases of business
26 property under this paragraph shall be the lesser of 97
27 percent of the sales tax paid on such business property or
28 \$10,000. A refund approved pursuant to this paragraph shall be
29 made within 30 days of formal approval by the department of
30 the application for the refund. No refund shall be granted
31 under this paragraph unless the amount to be refunded exceeds

Amendment No. 1 (for drafter's use only)

1 \$100 in sales tax paid on purchases made within a 60-day time
2 period.

3 6. The department shall adopt rules governing the
4 manner and form of refund applications and may establish
5 guidelines as to the requisites for an affirmative showing of
6 qualification for exemption under this paragraph.

7 7. If the department determines that the business
8 property is used outside an enterprise zone within 3 years
9 from the date of purchase, the amount of taxes refunded to the
10 business purchasing such business property shall immediately
11 be due and payable to the department by the business, together
12 with the appropriate interest and penalty, computed from the
13 date of purchase, in the manner provided by this chapter.

14 Notwithstanding this subparagraph, business property used
15 exclusively in:

- 16 a. Licensed commercial fishing vessels,
17 b. Fishing guide boats, or
18 c. Ecotourism guide boats

19
20 that leave and return to a fixed location within an area
21 designated under s. 370.28 are eligible for the exemption
22 provided under this paragraph if all requirements of this
23 paragraph are met. Such vessels and boats must be owned by a
24 business that is eligible to receive the exemption provided
25 under this paragraph. This exemption does not apply to the
26 purchase of a vessel or boat.

27 8. The department shall deduct an amount equal to 10
28 percent of each refund granted under the provisions of this
29 paragraph from the amount transferred into the Local
30 Government Half-cent Sales Tax Clearing Trust Fund pursuant to
31 s. 212.20 for the county area in which the business property

Amendment No. 1 (for drafter's use only)

1 is located and shall transfer that amount to the General
2 Revenue Fund.

3 9. For the purposes of this exemption, "business
4 property" means new or used property defined as "recovery
5 property" in s. 168(c) of the Internal Revenue Code of 1954,
6 as amended, except:

7 a. Property classified as 3-year property under s.
8 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

9 b. Industrial machinery and equipment as defined in
10 sub-subparagraph (b)6.a. and eligible for exemption under
11 paragraph (b); and

12 c. Building materials as defined in sub-subparagraph
13 (g)8.a.

14 10. The provisions of this paragraph shall expire and
15 be void on December 31, 2005.

16 Section 2. Subsection (4) of section 370.28, Florida
17 Statutes, is amended, and subsection (5) is added to that
18 section to read:

19 370.28 Enterprise zone designation; communities
20 adversely impacted by net limitations.--

21 (4) Notwithstanding the enterprise zone residency
22 requirements set out in ss. 212.096(1)(c) and 220.03(1)(q),
23 businesses located in enterprise zones designated pursuant to
24 this section may receive the credit provided under s. 212.096
25 or s. 220.181 for hiring any person within the jurisdiction of
26 the county within which nominating community of such
27 enterprise zone is located. All other provisions of ss.
28 212.096, 220.03(1)(q), and 220.181 apply to such businesses.
29 Notwithstanding the requirement specified in ss.
30 212.08(5)(g)5. and (h)5. and (15)(a) and 220.182(1)(b) that no
31 less than 20 percent of a business's employees, excluding

Amendment No. 1 (for drafter's use only)

1 temporary and part-time employees, must be residents of an
2 enterprise zone for the business to qualify for the maximum
3 exemption or credit provided in ss. 212.08(5)(g) and (h) and
4 (15) and 220.182, a business that is located in an enterprise
5 zone designated pursuant to this section shall be qualified
6 for those maximum exemptions or credits if no less than 20
7 percent of such employees of the business are residents of the
8 jurisdiction of the county within which the enterprise zone is
9 located. All other provisions of ss. 212.08(5)(g) and (h) and
10 (15) and 220.182 apply to such business.

11 (5) Notwithstanding the time limitations contained in
12 chapters 212 and 220, a business eligible to receive tax
13 credits under this section from January 1, 1997, to June 1,
14 1998, must submit an application for the tax credits by
15 December 1, 1998. All other requirements of the enterprise
16 zone program apply to such a business.

17
18

19 ===== T I T L E A M E N D M E N T =====

20 And the title is amended as follows:

21 On page 1, line 3,

22

23 after the semicolon insert:

24 amending s. 212.08, F.S.; exempting certain
25 property based in enterprise zones from the
26 sales tax under certain circumstances; amending
27 s. 370.28, F.S.; providing that a business
28 located in an enterprise zone in a community
29 impacted by net limitations is eligible for the
30 maximum sales tax exemption for building
31 materials used in the rehabilitation of real

Amendment No. 1 (for drafter's use only)

1 property in an enterprise zone, for business
2 property used in an enterprise zone, and for
3 electrical energy used in an enterprise zone,
4 and the maximum enterprise zone property tax
5 credit against the corporate income tax, if a
6 specified percentage of its employees are
7 residents of the jurisdiction of the county,
8 rather than of the enterprise zone; requiring
9 businesses eligible to receive certain tax
10 credits to apply for such credits by a time
11 certain;

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31