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2 An act relating to economic development;
3 providing an appropriation to the Office of
4 Tourism, Trade, and Economic Development for
5 the Technological Research and Development
6 Authority; authorizing tax credits to a
7 certain business; amending s. 212.08, F.S.;
8 exempting certain property based in enterprise
9 zones from the sales tax under certain
10 circumstances; amending s. 370.28, F.S.;
11 providing that a business located in an
12 enterprise zone in a community impacted by net
13 limitations is eligible for the maximum sales
14 tax exemption for building materials used in
15 the rehabilitation of real property in an
16 enterprise zone, for business property used in
17 an enterprise zone, and for electrical energy
18 used in an enterprise zone, and the maximum
19 enterprise zone property tax credit against the
20 corporate income tax, if a specified percentage
21 of its employees are residents of the
22 jurisdiction of the county, rather than of the
23 enterprise zone; requiring businesses eligible
24 to receive certain tax credits to apply for
25 such credits by a time certain; amending s.
26 290.0065, F.S.; providing for amendment of the
27 boundaries of an enterprise zone designated
28 pursuant to s. 290.0065(5)(b), F.S., upon
29 application by the county to the Office of
30 Tourism, Trade, and Economic Development;
31 authorizing the Office of Tourism, Trade, and

1 Economic Development to amend the boundaries of
2 certain enterprise zones upon request from
3 certain counties; providing restrictions;
4 providing for repeal; amending s. 290.0055,
5 F.S.; providing extended date for application
6 to amend certain boundary lines; providing an
7 effective date.

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9 Be It Enacted by the Legislature of the State of Florida:

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11 Section 1. (1) Notwithstanding the provisions of
12 chapters 212 and 220, Florida Statutes, a business that was
13 purchased in February, 1992, within an existing enterprise
14 zone in Tampa, is entitled to all the enterprise zone
15 incentives available at that time through the program's
16 expiration in 1994. The business may claim any incentive to
17 which it would have been entitled had the program not expired.

18 (2) Notwithstanding the time limitations contained in
19 chapters 212 and 220, Florida Statutes, under the enterprise
20 zone program which expired in 1994, a business eligible to
21 receive tax credits under this section must submit an
22 application for the tax credits by December 1, 1998. All other
23 requirements of the enterprise zone program apply to such a
24 business.

25 Section 2. Paragraph (h) of subsection (5) of section
26 212.08, Florida Statutes, is amended to read:

27 212.08 Sales, rental, use, consumption, distribution,
28 and storage tax; specified exemptions.--The sale at retail,
29 the rental, the use, the consumption, the distribution, and
30 the storage to be used or consumed in this state of the
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1 following are hereby specifically exempt from the tax imposed
2 by this chapter.

3 (5) EXEMPTIONS; ACCOUNT OF USE.--

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

5 1. Beginning July 1, 1995, business property purchased
6 for use by businesses located in an enterprise zone which is
7 subsequently used in an enterprise zone shall be exempt from
8 the tax imposed by this chapter. This exemption inures to the
9 business only through a refund of previously paid taxes. A
10 refund shall be authorized upon an affirmative showing by the
11 taxpayer to the satisfaction of the department that the
12 requirements of this paragraph have been met.

13 2. To receive a refund, the business must file under
14 oath with the governing body or enterprise zone development
15 agency having jurisdiction over the enterprise zone where the
16 business is located, as applicable, an application which
17 includes:

18 a. The name and address of the business claiming the
19 refund.

20 b. The identifying number assigned pursuant to s.
21 290.0065 to the enterprise zone in which the business is
22 located.

23 c. A specific description of the property for which a
24 refund is sought, including its serial number or other
25 permanent identification number.

26 d. The location of the property.

27 e. The sales invoice or other proof of purchase of the
28 property, showing the amount of sales tax paid, the date of
29 purchase, and the name and address of the sales tax dealer
30 from whom the property was purchased.

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

3 g. If applicable, the name and address of each
4 permanent employee of the business, including, for each
5 employee who is a resident of an enterprise zone, the
6 identifying number assigned pursuant to s. 290.0065 to the
7 enterprise zone in which the employee resides.

8 3. Within 10 working days after receipt of an
9 application, the governing body or enterprise zone development
10 agency shall review the application to determine if it
11 contains all the information required pursuant to subparagraph
12 2. and meets the criteria set out in this paragraph. The
13 governing body or agency shall certify all applications that
14 contain the information required pursuant to subparagraph 2.
15 and meet the criteria set out in this paragraph as eligible to
16 receive a refund. If applicable, the governing body or agency
17 shall also certify if 20 percent of the employees of the
18 business are residents of an enterprise zone, excluding
19 temporary and part-time employees. The certification shall be
20 in writing, and a copy of the certification shall be
21 transmitted to the executive director of the Department of
22 Revenue. The business shall be responsible for forwarding a
23 certified application to the department within the time
24 specified in subparagraph 4.

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

28 5. The provisions of s. 212.095 do not apply to any
29 refund application made pursuant to this paragraph. The amount
30 refunded on purchases of business property under this
31 paragraph shall be the lesser of 97 percent of the sales tax

1 paid on such business property or \$5,000, or, if no less than
2 20 percent of the employees of the business are residents of
3 an enterprise zone, excluding temporary and part-time
4 employees, the amount refunded on purchases of business
5 property under this paragraph shall be the lesser of 97
6 percent of the sales tax paid on such business property or
7 \$10,000. A refund approved pursuant to this paragraph shall be
8 made within 30 days of formal approval by the department of
9 the application for the refund. No refund shall be granted
10 under this paragraph unless the amount to be refunded exceeds
11 \$100 in sales tax paid on purchases made within a 60-day time
12 period.

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

17 7. If the department determines that the business
18 property is used outside an enterprise zone within 3 years
19 from the date of purchase, the amount of taxes refunded to the
20 business purchasing such business property shall immediately
21 be due and payable to the department by the business, together
22 with the appropriate interest and penalty, computed from the
23 date of purchase, in the manner provided by this chapter.
24 Notwithstanding this subparagraph, business property used
25 exclusively in:

- 26 a. Licensed commercial fishing vessels,
27 b. Fishing guide boats, or
28 c. Ecotourism guide boats

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30 that leave and return to a fixed location within an area
31 designated under s. 370.28 are eligible for the exemption

1 provided under this paragraph if all requirements of this
2 paragraph are met. Such vessels and boats must be owned by a
3 business that is eligible to receive the exemption provided
4 under this paragraph. This exemption does not apply to the
5 purchase of a vessel or boat.

6 8. The department shall deduct an amount equal to 10
7 percent of each refund granted under the provisions of this
8 paragraph from the amount transferred into the Local
9 Government Half-cent Sales Tax Clearing Trust Fund pursuant to
10 s. 212.20 for the county area in which the business property
11 is located and shall transfer that amount to the General
12 Revenue Fund.

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

17 a. Property classified as 3-year property under s.
18 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

19 b. Industrial machinery and equipment as defined in
20 sub-subparagraph (b)6.a. and eligible for exemption under
21 paragraph (b); and

22 c. Building materials as defined in sub-subparagraph
23 (g)8.a.

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

26 Section 3. Subsection (4) of section 370.28, Florida
27 Statutes, is amended, and subsection (5) is added to that
28 section to read:

29 370.28 Enterprise zone designation; communities
30 adversely impacted by net limitations.--

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1 (4) Notwithstanding the enterprise zone residency
2 requirements set out in ss. 212.096(1)(c) and 220.03(1)(q),
3 businesses located in enterprise zones designated pursuant to
4 this section may receive the credit provided under s. 212.096
5 or s. 220.181 for hiring any person within the jurisdiction of
6 the county within which ~~nominating community of~~ such
7 enterprise zone is located. All other provisions of ss.
8 212.096, 220.03(1)(q), and 220.181 apply to such businesses.
9 Notwithstanding the requirement specified in ss.
10 212.08(5)(g)5. and (h)5. and (15)(a) and 220.182(1)(b) that no
11 less than 20 percent of a business' employees, excluding
12 temporary and part-time employees, must be residents of an
13 enterprise zone for the business to qualify for the maximum
14 exemption or credit provided in ss. 212.08(5)(g) and (h) and
15 (15) and 220.182, a business that is located in an enterprise
16 zone designated pursuant to this section shall be qualified
17 for those maximum exemptions or credits if no less than 20
18 percent of such employees of the business are residents of the
19 jurisdiction of the county within which the enterprise zone is
20 located. All other provisions of ss. 212.08(5)(g) and (h) and
21 (15) and 220.182 apply to such business.

22 (5) Notwithstanding the time limitations contained in
23 chapters 212 and 220, a business eligible to receive tax
24 credits under this section from January 1, 1997, to June 1,
25 1998, must submit an application for the tax credits by
26 December 1, 1998. All other requirements of the enterprise
27 zone program apply to such a business.

28 Section 4. Subsection (11) is added to section
29 290.0065, Florida Statutes, to read:

30 290.0065 State designation of enterprise zones.--

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1 (11) Before December 31, 1998, the governing body of a
2 county in which an enterprise zone designated pursuant to
3 paragraph (5)(b) is located may apply to the Office of
4 Tourism, Trade, and Economic Development to amend the
5 boundaries of the enterprise zone for the purpose of replacing
6 areas not suitable for development. The Office of Tourism,
7 Trade, and Economic Development shall approve the application
8 if it does not increase the overall size of the enterprise
9 zone. Except that upon the request of the governing body of a
10 home rule charter county, or any county the government of
11 which has been consolidated with the government of one or more
12 municipalities in accordance with s. 9, Art. VIII of the
13 Constitution of 1885, as preserved by s. 6(e), Art. VIII of
14 the State Constitution as revised in 1968 and subsequently
15 amended, the Office of Tourism, Trade, and Economic
16 Development may amend the boundaries of an area designated as
17 an enterprise zone upon the receipt of a resolution adopted by
18 such governing body describing the amended boundaries, so long
19 as the added area does not increase the overall size of the
20 expanded zone more than its original size or 20 square miles,
21 whichever is larger, and is consistent with the categories,
22 criteria, and limitations imposed by s. 290.0055.

23 Section 5. Subsection (7) of section 290.0055, Florida
24 Statutes, is amended to read:

25 290.0055 Local nominating procedure.--

26 (7) Before June 30, ~~1998~~ 1999, the governing body of
27 any county operating under home rule charter adopted pursuant
28 to s. 10, s. 11, or s. 24, Art. VIII of the Constitution of
29 1885, as preserved by s. 6(e), Art. VIII of the Constitution
30 of 1968, with a population of at least 2 million persons, may
31 apply to the Office of Tourism, Trade, and Economic

1 Development to amend the boundary lines of an enterprise zone
2 within the county for the purpose of increasing by no more
3 than 80 acres the noncontiguous area of the enterprise zone
4 located closest to the path where the center of the August 24,
5 1992, storm known as Hurricane Andrew crossed land. The Office
6 of Tourism, Trade, and Economic Development shall approve an
7 application made pursuant to this subsection if it is
8 consistent with the categories, criteria, and limitations
9 imposed by this section upon the establishment of such
10 enterprise zone.

11 Section 6. There is appropriated from the General
12 Revenue Fund to the Office of Tourism, Trade, and Economic
13 Development the sum of \$1.2 million for fiscal year 1998-1999
14 to be administered by Enterprise Florida and used for
15 grants-in-aid to the Technological Research and Development
16 Authority.

17 Section 7. This act shall take effect July 1, 1998.
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