

By Representative Wallace

1                           A bill to be entitled  
2           An act relating to small business employment  
3           incentives; providing for issuing tax credit  
4           vouchers; requiring the Department of Revenue  
5           to develop forms and procedures; limiting the  
6           availability of the credit vouchers; providing  
7           an 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. SMALL BUSINESS EMPLOYMENT INCENTIVE.--  
12           (1) In order to encourage the creation of new jobs in  
13 this state, any small business, as defined in s. 288.703,  
14 Florida Statutes, other than a company-owned franchise  
15 business, shall be issued a tax credit voucher of \$1,000, for  
16 use against any tax liability created under chapter 212 or  
17 chapter 220, Florida Statutes, for any new full-time position  
18 created by such employer, provided the new position is  
19 continuously filled for at least 12 full consecutive months by  
20 the same employee, all existing positions are maintained, the  
21 salary for such position is at least \$7.61 per hour, and the  
22 new employee performs duties in connection with the operations  
23 of the business on a regular full-time basis for an average of  
24 at least 36 hours per week each month throughout the year.  
25           (2) Each small business, other than a company-owned  
26 franchise business, may qualify for only one such credit which  
27 shall be applied for consecutive periods against the taxes  
28 imposed under chapter 212, Florida Statutes, or against the  
29 taxes imposed under chapter 220, Florida Statutes.  
30           (3) If an eligible business has a credit larger than  
31 the amount owed the state on the tax return for the time

1 period for which the credit is claimed, the amount of the  
2 credit for that time period shall be limited to the amount  
3 owed the state on that tax return.

4 (4) Any small business, other than a company-owned  
5 franchise business, may apply for such credit by submitting an  
6 application to the Department of Revenue, accompanied by an  
7 affidavit verifying the creation and filling of such position  
8 and the position salary as specified in this act. The  
9 department shall provide forms and a procedure for applying  
10 for, processing, and issuing such credit.

11 (5) Small businesses applying for the tax credit  
12 voucher may elect to use the voucher against the sales and use  
13 tax under chapter 212, Florida Statutes, or the corporate  
14 income tax under chapter 220, Florida Statutes. Once the  
15 election has been made, the business shall not apply the  
16 credit voucher against any other tax imposed by law. The  
17 voucher may be used against existing tax liabilities under  
18 either chapter and, if not fully used in the first taxable  
19 year, may be allowed as a credit carryover against tax  
20 liabilities in future time periods, not to exceed 5 years or  
21 until such amount is fully used, whichever occurs first.

22 (6) The employment incentive provided by this act  
23 shall be available to small businesses for 3 years after the  
24 effective date of this act or until 55,000 tax credit vouchers  
25 have been issued by the Department of Revenue, whichever  
26 occurs first.

27 Section 2. This act shall take effect July 1, 1997.  
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HOUSE SUMMARY

Provides for issuance of a \$1,000 tax credit voucher, for use solely against sales and use tax liabilities imposed under chapter 212, Florida Statutes, or corporate income tax liabilities imposed under chapter 220, Florida Statutes, to any small business, other than a company-owned franchise business, which creates a new position and fills it continuously for at least 12 consecutive calendar months with the same person at a salary of at least \$7.61 per hour, maintains all existing positions, and the employee performs business duties on a regular full-time basis. Provides limitations to the credit. Limits the availability of the credit to 3 years or the first 55,000 tax credit vouchers issued by the Department of Revenue. See bill for details.