

By Senator Grant

13-728-98

See HB

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A bill to be entitled
An act relating to small business employment incentives; providing for issuing tax credit vouchers; requiring the Department of Revenue to develop forms and procedures; limiting the availability of the credit vouchers; providing an effective date.

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

Section 1. Small business employment incentive.--

(1) In order to encourage the creation of new jobs in this state, any small business, as defined in section 288.703, Florida Statutes, other than a franchise as defined in section 817.416, Florida Statutes, shall be issued a tax credit voucher of \$1,000 for use against any tax liability created under chapter 212 or chapter 220, Florida Statutes, for any new full-time position created by such employer, provided that the new position is continuously filled for at least 12 full consecutive months by the same employee, all existing positions are maintained, the salary for such position is at least \$7.61 per hour, and the employee performs duties in connection with the operations of the business on a regular full-time basis for an average of at least 36 hours per week each month throughout the year.

(2) Each small business other than a franchise may qualify for only one such credit, which shall be applied for consecutive periods against the taxes imposed under chapter 212, Florida Statutes, or against the taxes imposed under chapter 220, Florida Statutes.

1 (3) If an eligible business has a credit larger than
2 the amount owed the state on the tax return for the time
3 period for which the credit is claimed, the amount of the
4 credit for that time period shall be limited to the amount
5 owed the state on that tax return.

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

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

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

29 Section 2. This act shall take effect July 1, 1998.

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LEGISLATIVE SUMMARY

Provides for issuing tax credit vouchers to small businesses that create new full-time positions meeting certain requirements. Limits the availability of the credit vouchers.