

By Representatives Hart, Murman, Bense, Russell, Wallace,
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1 A bill to be entitled
2 An act relating to economic development tax
3 refunds; amending s. 288.095, F.S.; revising
4 provisions relating to tax refunds paid from
5 the Economic Development Incentive Account;
6 providing a limitation; amending s. 288.106,
7 F.S., relating to the tax refund program for
8 qualified target industry businesses; revising
9 requirements to qualify as an expansion of an
10 existing business or a rural county; revising
11 the counties to which the local financial
12 support exemption option applies; revising
13 requirements for determining the amount of tax
14 refund payments; revising the periods to which
15 refunds apply; revising the information
16 required on the application for certification;
17 authorizing acceptance of a letter from an
18 authorized local economic development agency
19 prior to passage of the required resolution by
20 the local government; authorizing reduction of
21 certain employment requirements for an
22 expanding business in a rural city or county or
23 enterprise zone under certain conditions;
24 revising requirements relating to application
25 approval; authorizing certification of less
26 than allowable refunds under certain
27 conditions; revising requirements relating to
28 the tax refund agreement; authorizing inclusion
29 of the value of county or municipal land
30 conveyed to a business in the required local
31 financial support; amending s. 288.107, F.S.;

1 correcting a reference; providing an effective
2 date.

3

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

5

6 Section 1. Paragraphs (a) and (b) of subsection (3) of
7 section 288.095, Florida Statutes, are amended to read:

8 288.095 Economic Development Trust Fund.--

9 (3)(a) ~~Contingent upon an annual appropriation by the~~
10 ~~Legislature,~~The Office of Tourism, Trade, and Economic
11 Development may approve applications for certification tax
12 refunds pursuant to ss. 288.1045(3),~~and~~ 288.106(4),~~and~~
13 ~~288.107.~~ However, in no case shall the total state share of
14 tax refund payments scheduled in all active certifications for
15 any one fiscal year exceed \$35 million.~~The office may not~~
16 ~~approve tax refunds in excess of the amount appropriated to~~
17 ~~the Economic Development Incentives Account for such tax~~
18 ~~refunds, for a fiscal year pursuant to paragraph (b).~~

19 (b) The total amount of tax refund claims ~~refunds~~
20 approved for payment by the Office of Tourism, Trade, and
21 Economic Development based on actual project performance
22 pursuant to ss. 288.1045, 288.106, and 288.107 shall not
23 exceed the amount appropriated to the Economic Development
24 Incentives Account for such purposes for the fiscal year. In
25 the event the Legislature does not appropriate an amount
26 sufficient to satisfy projections by the office for tax
27 refunds under ss. 288.1045, 288.106, and 288.107 in a fiscal
28 year, the Office of Tourism, Trade, and Economic Development
29 shall, not later than July 15 of such year, determine the
30 proportion of each refund claim which shall be paid by
31 dividing the amount appropriated for tax refunds for the

1 fiscal year by the projected total of refund claims for the
2 fiscal year. The amount of each claim for a tax refund shall
3 be multiplied by the resulting quotient. If, after the payment
4 of all such refund claims, funds remain in the Economic
5 Development Incentives Account for tax refunds, the office
6 shall recalculate the proportion for each refund claim and
7 adjust the amount of each claim accordingly.

8 Section 2. Section 288.106, Florida Statutes, 1998
9 Supplement, is amended to read:

10 288.106 Tax refund program for qualified target
11 industry businesses.--

12 (1) LEGISLATIVE FINDINGS AND DECLARATIONS.--The
13 Legislature finds that attracting, retaining, and providing
14 favorable conditions for the growth of target industries
15 provides high-quality employment opportunities for citizens of
16 this state and enhances the economic foundations of this
17 state. It is the policy of this state to encourage the growth
18 of a high-value-added employment and economic base by
19 providing tax refunds to qualified target industry businesses
20 that create new high-wage employment opportunities in this
21 state by expanding existing businesses within this state or by
22 bringing new businesses to this state.

23 (2) DEFINITIONS.--As used in this section:

24 (a) "Account" means the Economic Development
25 Incentives Account within the Economic Development Trust Fund
26 established under s. 288.095.

27 (b) "Authorized local economic development agency"
28 means any public or private entity, including those defined by
29 s. 288.075, authorized by a county or municipality to promote
30 the general business or industrial interests of that county or
31 municipality.

1 (c)~~(b)~~ "Average private sector wage in the area" means
2 the statewide private sector average wage or the average of
3 all private sector wages and salaries in the county or in the
4 standard metropolitan area in which the business is located.

5 (d)~~(c)~~ "Business" means an employing unit, as defined
6 in s. 443.036, which is registered with the Department of
7 Labor and Employment Security for unemployment compensation
8 purposes or a subcategory or division of an employing unit
9 which is accepted by the Department of Labor and Employment
10 Security as a reporting unit.

11 (e)~~(d)~~ "Corporate headquarters business" means an
12 international, national, or regional headquarters office of a
13 multinational or multistate business enterprise or national
14 trade association, whether separate from or connected with
15 other facilities used by such business.

16 (f)~~(e)~~ "Office" means the Office of Tourism, Trade,
17 and Economic Development.

18 (g)~~(f)~~ "Enterprise zone" means an area designated as
19 an enterprise zone pursuant to s. 290.0065.

20 (h)~~(g)~~ "Expansion of an existing business" means the
21 expansion of an existing Florida ~~a~~ business by or through
22 additions to real and personal property ~~on a site colocated~~
23 ~~with a commercial or industrial operation owned by the same~~
24 ~~business~~, resulting in a net increase in employment of not
25 less than 10 percent at such business.

26 (i)~~(h)~~ "Fiscal year" means the fiscal year of the
27 state.

28 (j)~~(i)~~ "Jobs" means full-time equivalent positions, as
29 such terms are consistent with terms used by the Department of
30 Labor and Employment Security and the United States Department
31 of Labor for purposes of unemployment compensation tax

1 administration and employment estimation, resulting directly
2 from a project in this state. This number shall not include
3 temporary construction jobs involved with the construction of
4 facilities for the project or any jobs which have previously
5 been included in any application for tax refunds under s.
6 288.104 or this section.

7 ~~(k)(j)~~ "Local financial support" means funding from
8 local sources, public or private, which is paid to the
9 Economic Development Trust Fund and which is equal to 20
10 percent of the annual tax refund for a qualified target
11 industry business. A qualified target industry business may
12 not provide, directly or indirectly, more than 5 percent of
13 such funding in any fiscal year. The sources of such funding
14 may not include, directly or indirectly, state funds
15 appropriated from the General Revenue Fund or any state trust
16 fund, excluding tax revenues shared with local governments
17 pursuant to law.

18 ~~(l)(k)~~ "Local financial support exemption option"
19 means the option to exercise an exemption from the local
20 financial support requirement available to any applicant whose
21 project is located in a county with a population of 75,000 or
22 less, or a county with a population of 100,000 or less which
23 is contiguous to a county with a population of 75,000 or less
24 ~~designated by the Rural Economic Development Initiative~~. Any
25 applicant that exercises this option shall not be eligible for
26 more than 80 percent of the total tax refunds allowed such
27 applicant under this section.

28 ~~(m)(l)~~ "New business" means a business which
29 heretofore did not exist in this state, first beginning
30 operations on a site located in this state and clearly
31

1 separate from any other commercial or industrial operations
2 owned by the same business.

3 (n)~~(m)~~ "Project" means the creation of a new business
4 or expansion of an existing business.

5 (o)~~(n)~~ "Director" means the Director of the Office of
6 Tourism, Trade, and Economic Development.

7 (p)~~(o)~~ "Target industry business" means a corporate
8 headquarters business or any business that is engaged in one
9 of the target industries identified pursuant to the following
10 criteria developed by the office in consultation with
11 Enterprise Florida, Inc.:

12 1. Future growth.--Industry forecasts should indicate
13 strong expectation for future growth in both employment and
14 output, according to the most recent available data. Special
15 consideration should be given to Florida's growing access to
16 international markets or to replacing imports.

17 2. Stability.--The industry should not be subject to
18 periodic layoffs, whether due to seasonality or sensitivity to
19 volatile economic variables such as weather. The industry
20 should also be relatively resistant to recession, so that the
21 demand for products of this industry is not necessarily
22 subject to decline during an economic downturn.

23 3. High wage.--The industry should pay relatively high
24 wages compared to statewide or area averages.

25 4. Market and resource independent.--The location of
26 industry businesses should not be dependent on Florida markets
27 or resources as indicated by industry analysis.

28 5. Industrial base diversification and
29 strengthening.--The industry should contribute toward
30 expanding or diversifying the state's or area's economic base,
31 as indicated by analysis of employment and output shares

1 compared to national and regional trends. Special
2 consideration should be given to industries that strengthen
3 regional economies by adding value to basic products or
4 building regional industrial clusters as indicated by industry
5 analysis.

6 6. Economic benefits.--The industry should have strong
7 positive impacts on or benefits to the state and regional
8 economies.

9
10 The office, in consultation with Enterprise Florida, Inc.,
11 shall develop a list of such target industries annually and
12 submit such list as part of the final agency legislative
13 budget request submitted pursuant to s. 216.023(1). A target
14 industry business may not include any industry engaged in
15 retail activities; any electrical utility company; any
16 phosphate or other solid minerals severance, mining, or
17 processing operation; any oil or gas exploration or production
18 operation; or any firm subject to regulation by the Division
19 of Hotels and Restaurants of the Department of Business and
20 Professional Regulation.

21 ~~(q)~~~~(p)~~ "Taxable year" means taxable year as defined in
22 s. 220.03(1)(z).

23 ~~(r)~~~~(q)~~ "Qualified target industry business" means a
24 target industry business that has been approved by the
25 director to be eligible for tax refunds pursuant to this
26 section.

27 ~~(s)~~~~(r)~~ "Rural county" means a county with a population
28 of 75,000 or less, or a county with a population of 100,000 or
29 less which is contiguous to a county with a population of
30 75,000 or less.

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1 ~~(t)(s)~~ "Rural city" means a city with a population of
2 10,000 or less, or a city with a population of greater than
3 10,000 but less than 20,000 which has been determined by the
4 Office of Tourism, Trade, and Economic Development to have
5 economic characteristics such as, but not limited to, a
6 significant percentage of residents on public assistance, a
7 significant percentage of residents with income below the
8 poverty level, or a significant percentage of the city's
9 employment base in agriculture-related industries.

10 (3) TAX REFUND; ELIGIBLE AMOUNTS.--

11 (a) There shall be allowed, from the account, a refund
12 to a qualified target industry business for the amount of
13 eligible taxes certified by the director which were paid by
14 such business. The total amount of refunds for all fiscal
15 years for each qualified target industry business must be
16 determined pursuant to subsection (4). The annual amount of a
17 refund to a qualified target industry business must be
18 determined pursuant to subsection (6).

19 (b) Upon approval by the director, a qualified target
20 industry business shall be allowed tax refund payments equal
21 to \$3,000 times the number of jobs specified in the tax refund
22 agreement under subparagraph (5)(a)1., or equal to \$6,000
23 times the number of jobs if the project is located in a rural
24 county or an enterprise zone. Further, a qualified target
25 industry business shall be allowed additional tax refund
26 payments equal to \$1,000 times the number of jobs specified in
27 the tax refund agreement under subparagraph (5)(a)1. if such
28 jobs pay an annual average wage of at least 150 percent of the
29 average private sector wage in the area, or equal to \$2,000
30 times the number of jobs if such jobs pay an annual average
31 wage of at least 200 percent of the average private sector

1 ~~wage in the area. The director may approve a qualified target~~
2 ~~industry business to receive tax refund payments of up to~~
3 ~~\$5,000 times the number of jobs specified in the tax refund~~
4 ~~agreement under subparagraph (5)(a)1., or up to \$7,500 times~~
5 ~~the number of jobs if the project is located in an enterprise~~
6 ~~zone. A qualified target industry business may not receive~~
7 ~~refund payments of more than 25 percent of the total tax~~
8 ~~refunds specified in the tax refund agreement under~~
9 ~~subparagraph (5)(a)1. in any fiscal year. Further, a qualified~~
10 ~~target industry business may not receive more than \$1.5~~
11 ~~million in refunds under this section in any single fiscal~~
12 ~~year, or more than \$2.5 million in any single fiscal year if~~
13 ~~the project is located in an enterprise zone. A qualified~~
14 ~~target industry may not receive more than \$5 million in refund~~
15 ~~payments under this section in all fiscal years, or more than~~
16 ~~\$7.5 million if the project is located in an enterprise zone.~~
17 ~~Funds made available pursuant to this section may not be~~
18 ~~expended in connection with the relocation of a business from~~
19 ~~one community to another community in this state unless the~~
20 ~~Office of Tourism, Trade, and Economic Development determines~~
21 ~~that without such relocation the business will move outside~~
22 ~~this state or determines that the business has a compelling~~
23 ~~economic rationale for the relocation and that the relocation~~
24 ~~will create additional jobs.~~

25 (c) After entering into a tax refund agreement under
26 subsection (5), a qualified target industry business may:

27 1. Receive refunds from the account for the following
28 taxes due and paid by that business beginning with the first
29 taxable year of the business which begins after entering into
30 the agreement:
31

- 1 1. ~~Taxes on sales, use, and other transactions under~~
2 ~~chapter 212.~~
- 3 a.2. Corporate income taxes under chapter 220.
- 4 3. ~~Intangible personal property taxes under chapter~~
5 ~~199.~~
- 6 4. ~~Emergency excise taxes under chapter 221.~~
- 7 5. ~~Excise taxes on documents under chapter 201.~~
- 8 6. ~~Ad valorem taxes paid, as defined in s. 220.03(1).~~
- 9 b.7. Insurance premium tax under s. 624.509.
- 10 2. Receive refunds from the account for the following
11 taxes due and paid by that business after entering into the
12 agreement:
- 13 a. Taxes on sales, use, and other transactions under
14 chapter 212.
- 15 b. Intangible personal property taxes under chapter
16 199.
- 17 c. Emergency excise taxes under chapter 221.
- 18 d. Excise taxes on documents under chapter 201.
- 19 e. Ad valorem taxes paid, as defined in s. 220.03(1).
- 20 (d) ~~However,~~ A qualified target industry business may
21 not receive a refund under this section for any amount of
22 credit, refund, or exemption granted to that business for any
23 of the such taxes specified in paragraph (c). If a refund for
24 such taxes is provided by the office, which taxes are
25 subsequently adjusted by the application of any credit,
26 refund, or exemption granted to the qualified target industry
27 business other than as provided in this section, the business
28 shall reimburse the account for the amount of that credit,
29 refund, or exemption. A qualified target industry business
30 shall notify and tender payment to the office within 20 days
31

1 after receiving any credit, refund, or exemption other than
2 one provided in this section.

3 (e)~~(d)~~ A qualified target industry business that
4 fraudulently claims a refund under this section:

5 1. Is liable for repayment of the amount of the refund
6 to the account, plus a mandatory penalty in the amount of 200
7 percent of the tax refund which shall be deposited into the
8 General Revenue Fund.

9 2. Is guilty of a felony of the third degree,
10 punishable as provided in s. 775.082, s. 775.083, or s.
11 775.084.

12 (4) APPLICATION AND APPROVAL PROCESS.--

13 (a) To apply for certification as a qualified target
14 industry business under this section, the business must file
15 an application with the office before the business has made
16 the decision to locate a new business in this state or before
17 the business had made the decision to expand an existing
18 business in this state. The application shall include, but is
19 not limited to, the following information:

20 1. The applicant's federal employer identification
21 number and the applicant's state sales tax registration
22 number.

23 2. The permanent location of the applicant's facility
24 in this state at which the project is or is to be located.

25 3. A description of the type of business activity or
26 product covered by the project, including four-digit SIC codes
27 for all activities included in the project.

28 4. The number of full-time equivalent jobs in this
29 state that are or will be dedicated to the project and the
30 average wage of those jobs. If more than one type of business
31 activity or product is included in the project, the number of

1 jobs and average wage for those jobs must be separately stated
2 for each type of business activity or product.

3 5. The total number of full-time equivalent employees
4 employed by the applicant in this state.

5 6. The anticipated commencement date of the project.

6 ~~7. The amount of:~~

7 ~~a. Taxes on sales, use, and other transactions paid~~
8 ~~under chapter 212;~~

9 ~~b. Corporate income taxes paid under chapter 220;~~

10 ~~c. Intangible personal property taxes paid under~~
11 ~~chapter 199;~~

12 ~~d. Emergency excise taxes paid under chapter 221; and~~

13 ~~e. Excise taxes on documents paid under chapter 201.~~

14 ~~8. The estimated amount of tax refunds to be claimed~~
15 ~~in each fiscal year.~~

16 7.9. A brief statement concerning the role that the
17 tax refunds requested will play in the decision of the
18 applicant to locate or expand in this state.

19 8.10. An estimate of the proportion of the sales
20 resulting from the project that will be made outside this
21 state.

22 9.11. A resolution adopted by the governing board of
23 the county or municipality in which the project will be
24 located, which resolution recommends that certain types of
25 businesses be approved as a qualified target industry business
26 and states that the commitments of local financial support
27 necessary for the target industry business exist. In advance
28 of the passage of such resolution, the office may also accept
29 an official letter from an authorized local economic
30 development agency which endorses the proposed target industry
31 project and pledges that sources of local financial support

1 for such project exist. For the purpose of making pledges of
2 local financial support, the authorized local economic
3 development agency shall be officially designated by the
4 passage of a one-time resolution by the local governing
5 authority.~~Before adoption of the resolution, the governing~~
6 ~~board may review the proposed public or private sources of~~
7 ~~such support and determine whether the proposed sources of~~
8 ~~local financial support can be provided.~~

9 ~~10.12.~~ Any additional information requested by the
10 office.

11 (b) To qualify for review by the office, the
12 application of a target industry business must, at a minimum,
13 establish the following to the satisfaction of the office:

14 1. The jobs proposed to be provided under the
15 application, pursuant to subparagraph (a)4., must pay an
16 estimated annual average wage equaling at least 115 percent of
17 the average private sector wage in the area where the business
18 is to be located or the statewide private sector average wage.
19 The office may waive this average wage requirement at the
20 request of the local governing body recommending the project
21 and Enterprise Florida, Inc. The wage requirement may only be
22 waived for a project located in a brownfield area designated
23 under s. 376.80 or in a rural city or county or in an
24 enterprise zone and only when the merits of the individual
25 project or the specific circumstances in the community in
26 relationship to the project warrant such action. If the local
27 governing body and Enterprise Florida, Inc., make such a
28 recommendation, it must be transmitted in writing and the
29 specific justification for the waiver recommendation must be
30 explained. If the director elects to waive the wage

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1 requirement, the waiver must be stated in writing and the
2 reasons for granting the waiver must be explained.

3 2. The target industry business's project must result
4 in the creation of at least 10 jobs at such project and, if an
5 expansion of an existing business, must result in a net
6 increase in employment of not less than 10 percent at such
7 business. However, at the request of the local governing body
8 recommending the project and Enterprise Florida, Inc., the
9 office may approve an expansion of an existing business under
10 this section in a rural city, a rural county, or an enterprise
11 zone that results in a net increase in employment of less than
12 10 percent at the business if the merits of the individual
13 project or the specific circumstances in the community in
14 relation to the project warrant this action. If the local
15 governing body and Enterprise Florida, Inc., make such a
16 request, it must be transmitted in writing and the specific
17 justification for the request must be explained. If the
18 director elects to accept such request, this decision must be
19 stated in writing and the reasons for granting the request
20 must be explained.

21 3. The business activity or product for the
22 applicant's project is within an industry or industries that
23 have been identified by the office to be high-value-added
24 industries that contribute to the area and to the economic
25 growth of the state and that produce a higher standard of
26 living for citizens of this state in the new global economy or
27 that can be shown to make an equivalent contribution to the
28 area and state's economic progress. The director must approve
29 requests to waive the wage requirement for brownfield areas
30 designated under s. 376.80 unless it is demonstrated that such
31 action is not in the public interest.

1 (c) Each application meeting the requirements of
2 paragraph (b) must be submitted to the office for
3 determination of eligibility. The office shall review and
4 evaluate each application based on, but not limited to, the
5 following criteria:

6 1. Expected contributions to the state strategic
7 economic development plan adopted by Enterprise Florida, Inc.,
8 taking into account the long-term effects of the project and
9 of the applicant on the state economy.

10 2. The economic benefit of the jobs created by the
11 project in this state, taking into account the cost and
12 average wage of each job created.

13 3. The amount of capital investment to be made by the
14 applicant in this state.

15 4. The local commitment and support for the project.

16 5. The effect of the project on the local community,
17 taking into account the unemployment rate for the county where
18 the project will be located.

19 6. The effect of any tax refunds granted pursuant to
20 this section on the viability of the project and the
21 probability that the project will be undertaken in this state
22 if such tax refunds are granted to the applicant, taking into
23 account the expected long-term commitment of the applicant to
24 economic growth and employment in this state.

25 7. The expected long-term commitment to this state
26 resulting from the project.

27 8. A review of the business's past activities in this
28 state or other states, including whether such business has
29 been subjected to criminal or civil fines and penalties.
30 Nothing in this subparagraph shall require the disclosure of
31 confidential information.

1 (d) The office shall forward its written findings and
2 evaluation concerning each application meeting the
3 requirements of paragraph (b) to the director within 45
4 calendar days after receipt of a complete application. The
5 office shall notify each target industry business when its
6 application is complete, and of the time when the 45-day
7 period begins. In its written report to the director, the
8 office shall specifically address each of the factors
9 specified in paragraph (c) and shall make a specific
10 assessment with respect to the minimum requirements
11 established in paragraph (b). The office shall include in its
12 report projections of the tax refund claim that will be sought
13 by the target industry business in each fiscal year based on
14 the information submitted in the application.

15 (e)1. Within 30 days after receipt of the office's
16 findings and evaluation, the director shall issue a letter of
17 certification ~~enter a final order~~ that either approves or
18 disapproves the application of the target industry business.
19 The decision must be in writing and must provide the
20 justifications for approval or disapproval.

21 2. If appropriate, the director shall enter into a
22 written agreement with the qualified target industry business
23 pursuant to subsection (5).

24 (f) The director may not certify ~~enter a final order~~
25 ~~that certifies~~ any target industry business as a qualified
26 target industry business if the value of tax refunds to be
27 included in that letter of certification ~~final order~~ exceeds
28 the available amount of authority to certify new businesses
29 ~~enter final orders~~ as determined in s. 288.095(3). In the
30 event the commitments of local financial support represent
31 less than 20 percent of the eligible tax refund payments, or

1 to otherwise preserve the viability and fiscal integrity of
2 the program, the director may certify a qualified target
3 industry business to receive tax refund payments of less than
4 the allowable amounts specified in paragraph (3)(b).A letter
5 of certification ~~final order~~ that approves an application must
6 specify the maximum amount of tax refund that will be
7 available to the qualified industry business in each fiscal
8 year and the total amount of tax refunds that will be
9 available to the business for all fiscal years.

10 (g) Nothing in this section shall create a presumption
11 that an applicant will receive any tax refunds under this
12 section. However, the office may issue nonbinding opinion
13 letters, upon the request of prospective applicants, as to the
14 applicants' eligibility and the potential amount of refunds.

15 (5) TAX REFUND AGREEMENT.--

16 (a) Each qualified target industry business must enter
17 into a written agreement with the office which specifies, at a
18 minimum:

19 1. The total number of full-time equivalent jobs in
20 this state that will be dedicated to the project, the average
21 wage of those jobs, the definitions that will apply for
22 measuring the achievement of these terms during the pendency
23 of the agreement, and a time schedule or plan for when such
24 jobs will be in place and active in this state. This
25 information must be the same as the information contained in
26 the application submitted by the business under subsection
27 (4).

28 2. The maximum amount of tax refunds which the
29 qualified target industry business is eligible to receive on
30 the project and the maximum amount of a tax refund that the
31

1 qualified target industry business is eligible to receive in
2 each fiscal year.

3 3. That the office may review and verify the financial
4 and personnel records of the qualified target industry
5 business to ascertain whether that business is in compliance
6 with this section.

7 4. The date after which, in each fiscal year, the
8 qualified target industry business may file an annual claim
9 under subsection (6).

10 5. That local financial support will be annually
11 available and will be paid to the account. The director may
12 not enter into a written agreement with a qualified target
13 industry business if a local financial support resolution is
14 not passed by the local governing authority within 90 days
15 after issuance of the letter of certification pursuant to
16 subsection (4).

17 (b) Compliance with the terms and conditions of the
18 agreement is a condition precedent for the receipt of a tax
19 refund each year. The failure to comply with the terms and
20 conditions of the tax refund agreement results in the loss of
21 eligibility for receipt of all tax refunds previously
22 authorized under this section and the revocation by the
23 director of the certification of the business entity as a
24 qualified target industry business.

25 (c) The agreement must be signed by the director and
26 by an authorized officer of the qualified target industry
27 business within 120 ~~30~~ days after the issuance of the letter
28 of certification ~~entry of a final order certifying the~~
29 ~~business entity as a qualified target industry business~~ under
30 subsection (4), but not before passage and receipt of the
31 resolution of local financial support.

1 (d) The agreement must contain the following legend,
2 clearly printed on its face in bold type of not less than 10
3 points in size: "This agreement is neither a general
4 obligation of the State of Florida, nor is it backed by the
5 full faith and credit of the State of Florida. Payment of tax
6 refunds are conditioned on and subject to specific annual
7 appropriations by the Florida Legislature of moneys sufficient
8 to pay amounts authorized in section 288.106, Florida
9 Statutes."

10 (6) ANNUAL CLAIM FOR REFUND.--

11 (a) A qualified target industry business that has
12 entered into a tax refund agreement with the office under
13 subsection (5) may apply once each fiscal year to the office
14 for a tax refund. The application must be made on or after the
15 date specified in that agreement.

16 (b) The claim for refund by the qualified target
17 industry business must include a copy of all receipts
18 pertaining to the payment of taxes for which the refund is
19 sought and data related to achievement of each performance
20 item specified in the tax refund agreement. The amount
21 requested as a tax refund may not exceed the amount specified
22 for that fiscal year in that agreement.

23 (c) A tax refund may not be approved for a qualified
24 target industry business unless the required local financial
25 support has been paid into the account in that fiscal year. If
26 the local financial support provided is less than 20 percent
27 of the approved tax refund, the tax refund must be reduced. In
28 no event may the tax refund exceed an amount that is equal to
29 5 times the amount of the local financial support received.
30 Further, funding from local sources includes any tax abatement
31 granted to that business under s. 196.1995, or the appraised

1 market value of municipal or county land conveyed or provided
2 at a discount to that business. ~~and~~ The amount of any tax
3 refund for such business approved under this section must be
4 reduced by the amount of any such tax abatement granted or the
5 value of the land granted; and the limitations in subsection
6 (3) and paragraph (4)(f) must be reduced by the amount of any
7 such tax abatement or the value of the land granted. A report
8 listing all sources of the local financial support shall be
9 provided to the office when such support is paid to the
10 account.

11 (d) A prorated tax refund, less a 5-percent penalty,
12 shall be approved for a qualified target industry business
13 provided all other applicable requirements have been satisfied
14 and the business proves to the satisfaction of the director
15 that it has achieved at least 80 percent of its projected
16 employment.

17 (e) The director, with such assistance as may be
18 required from the office, the Department of Revenue, or the
19 Department of Labor and Employment Security, shall specify by
20 written final order the amount of the tax refund that is
21 authorized for the qualified target industry business for the
22 fiscal year within 30 days after the date that the claim for
23 the annual tax refund is received by the office.

24 (f) The total amount of tax refund claims ~~refunds~~
25 approved by the director under this section in any fiscal year
26 must not exceed the amount authorized under s. 288.095(3).

27 (g) Upon approval of the tax refund under paragraphs
28 (c), (d), and (e), the Comptroller shall issue a warrant for
29 the amount specified in the final order. If the final order is
30 appealed, the Comptroller may not issue a warrant for a refund
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1 to the qualified target industry business until the conclusion
2 of all appeals of that order.

3 (7) ADMINISTRATION.--

4 (a) The office is authorized to verify information
5 provided in any claim submitted for tax credits under this
6 section with regard to employment and wage levels or the
7 payment of the taxes to the appropriate agency or authority,
8 including the Department of Revenue, the Department of Labor
9 and Employment Security, or any local government or authority.

10 (b) To facilitate the process of monitoring and
11 auditing applications made under this program, the office may
12 provide a list of qualified target industry businesses to the
13 Department of Revenue, to the Department of Labor and
14 Employment Security, or to any local government or authority.
15 The office may request the assistance of those entities with
16 respect to monitoring the payment of the taxes listed in
17 subsection (3).

18 (8) EXPIRATION.--This section expires June 30, 2004.

19 Section 3. Paragraph (e) of subsection (1) of section
20 288.107, Florida Statutes, 1998 Supplement, is amended to
21 read:

22 288.107 Brownfield redevelopment bonus refunds.--

23 (1) DEFINITIONS.--As used in this section:

24 (e) "Eligible business" means a qualified target
25 industry business as defined in s. 288.106(2)~~(e)~~.

26 Section 4. This act shall take effect July 1, 1999.

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HOUSE SUMMARY

Revises provisions relating to tax refunds paid from the Economic Development Incentive Account and provides a limitation.

Revises provisions relating to the tax refund program for qualified target industry businesses. Revises requirements to qualify as an expansion of an existing business or a rural county. Revises the counties to which the local financial support exemption option applies. Revises requirements for determining the amount of tax refund payments and revises the periods to which refunds apply. Revises the information required on the application for certification. Authorizes acceptance of a letter from an authorized local economic development agency prior to passage of the required resolution by the local government. Authorizes reduction of certain employment requirements for an expanding business in a rural city or county or enterprise zone under certain conditions. Revises requirements relating to application approval. Authorizes certification of less than allowable refunds under certain conditions. Revises requirements relating to the tax refund agreement. Authorizes inclusion of the value of county or municipal land conveyed to a business in the required local financial support.