

By the Committees on Fiscal Resource, Education and Senator Sebesta

314-2065-00

1                                   A bill to be entitled  
2           An act relating to the State University System;  
3           creating s. 240.6065, F.S.; establishing the  
4           industrial partnership professorship program  
5           within the State University System; providing  
6           that certain professorships shall be  
7           established by contract; providing for  
8           contribution by sponsoring corporations;  
9           specifying percentage of such contribution;  
10          providing for credit against the corporate  
11          income tax for contributions made by a  
12          sponsoring corporation; creating s. 220.192,  
13          F.S.; providing a credit against the corporate  
14          income tax for contributions made by a  
15          corporation sponsoring an industrial  
16          partnership professorship; providing for  
17          carryover of the credit; providing for  
18          reduction of credit under certain  
19          circumstances; authorizing rules; amending s.  
20          220.02, F.S.; providing order of credits  
21          against the tax; providing for future repeal of  
22          ss. 240.6065, 220.192, F.S.; amending s.  
23          220.13, F.S.; providing an addition to adjusted  
24          federal income; providing an effective date.

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

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28           Section 1. Section 240.6065, Florida Statutes, is  
29 created to read:

30           240.6065 Industrial partnership professorships.--

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1           (1) LEGISLATIVE INTENT.--The Legislature recognizes  
2 that while mastery of a formal knowledge base within academic  
3 disciplines is critical to the success of today's university  
4 graduates, there are practical components of many disciplines  
5 which can best and most effectively be transmitted by persons  
6 possessing significant expertise in a particular field gained  
7 through years of practical experience. The Legislature also  
8 recognizes that this is particularly true in the case of  
9 disciplines in which the rapid pace of technological  
10 development quickly renders even the most recent texts and  
11 research outdated, and that the availability to students of  
12 instructors whose primary vocation is as a practitioner,  
13 rather than an academic, can be invaluable.

14           (2) INDUSTRIAL PARTNERSHIP PROFESSORSHIP  
15 PROGRAM.--There is established within the State University  
16 System an Industrial Partnership Professorship Program. A  
17 maximum of 15 professorships may be established by the Board  
18 of Regents for the purpose of bringing into a university  
19 setting instructional or research personnel whose formal  
20 training and experiential backgrounds are not primarily those  
21 required of traditional university faculty or instructional  
22 personnel.

23           (a) Industrial partnership professorships shall be  
24 established at any university within the State University  
25 System by means of a contract between the university and a  
26 corporation or corporations agreeing to sponsor the  
27 professorship. A contract for an industrial partnership  
28 professorship shall be for a sponsorship minimum of 1 year and  
29 may be renewed for additional periods. The contract must  
30 include the terms and conditions of employment of an  
31 industrial partnership professor and the amount the sponsoring

1 corporation or corporations are to contribute on a yearly  
2 basis to the establishment and maintenance of the  
3 professorship. The sponsoring corporation shall provide  
4 two-thirds of the costs of each professorship and the State  
5 University System shall provide one-third.

6 (b) Total expenditures by the State University System  
7 for the Industrial Partnership Professorship Program may not  
8 exceed \$500,000 in any fiscal year.

9 (c) The university may use existing personnel  
10 classifications as appropriate for the duties of the  
11 industrial partnership professor.

12 (d) In consideration for sponsoring an industrial  
13 partnership professorship, the corporation or corporations  
14 sponsoring the professorship shall be allowed an annual credit  
15 against the corporate income tax, as provided in s. 220.192,  
16 for one-half of the amount contributed to the establishment  
17 and maintenance of an industrial partnership professorship  
18 during the corporate tax year.

19 (3) The Department of Revenue may adopt rules to  
20 administer this section.

21 Section 2. Section 220.192, Florida Statutes, is  
22 created to read:

23 220.192 Industrial partnership professorship tax  
24 credit.--

25 (1) A credit against the tax imposed by this chapter  
26 shall be allowed to any corporation that enters into a  
27 contract with a university within the State University System  
28 for the establishment of an industrial partnership  
29 professorship as provided in s. 240.6065, which credit shall  
30 be equal to one-half of the amount of such corporation's  
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1 contribution during its tax year to the establishment and  
2 maintenance of an industrial partnership professorship.

3 (2) If any credit granted pursuant to this section is  
4 not fully used in the first year for which it becomes  
5 available, the unused amount may be carried forward for a  
6 period not to exceed 5 years. The carryover may be used in a  
7 subsequent year when the tax imposed by this chapter for such  
8 year exceeds the credit for such year under this section after  
9 applying the other credits and unused credit carryovers in the  
10 order provided in s. 220.02(10).

11 (3) The credit granted under this section shall be  
12 reduced to the extent that the duties of the Industrial  
13 Partnership Professorship include sponsored research  
14 contracts, as defined in s. 220.15(2)(c).

15 (4) The Department of Revenue may adopt rules to  
16 administer this section.

17 Section 3. Subsection (10) of section 220.02, Florida  
18 Statutes, is amended to read:

19 220.02 Legislative intent.--

20 (10) It is the intent of the Legislature that credits  
21 against either the corporate income tax or the franchise tax  
22 be applied in the following order: those enumerated in s.  
23 220.18, those enumerated in s. 631.828, those enumerated in s.  
24 220.191, those enumerated in s. 220.181, those enumerated in  
25 s. 220.183, those enumerated in s. 220.182, those enumerated  
26 in s. 220.1895, those enumerated in s. 221.02, those  
27 enumerated in s. 220.184, those enumerated in s. 220.186,  
28 those enumerated in s. 220.188, those enumerated in s.  
29 220.1845, those enumerated in s. 220.19, ~~and~~ those enumerated  
30 in s. 220.185, and those enumerated in s. 220.192.

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1           Section 4. Paragraph (a) of subsection (1) of s.  
2 220.13, Florida Statutes, is amended to read:

3           220.13 "Adjusted federal income" defined.--

4           (1) The term "adjusted federal income" means an amount  
5 equal to the taxpayer's taxable income as defined in  
6 subsection (2), or such taxable income of more than one  
7 taxpayer as provided in s. 220.131, for the taxable year,  
8 adjusted as follows:

9           (a) Additions.--There shall be added to such taxable  
10 income:

11           1. The amount of any tax upon or measured by income,  
12 excluding taxes based on gross receipts or revenues, paid or  
13 accrued as a liability to the District of Columbia or any  
14 state of the United States which is deductible from gross  
15 income in the computation of taxable income for the taxable  
16 year.

17           2. The amount of interest which is excluded from  
18 taxable income under s. 103(a) of the Internal Revenue Code or  
19 any other federal law, less the associated expenses disallowed  
20 in the computation of taxable income under s. 265 of the  
21 Internal Revenue Code or any other law, excluding 60 percent  
22 of any amounts included in alternative minimum taxable income,  
23 as defined in s. 55(b)(2) of the Internal Revenue Code, if the  
24 taxpayer pays tax under s. 220.11(3).

25           3. In the case of a regulated investment company or  
26 real estate investment trust, an amount equal to the excess of  
27 the net long-term capital gain for the taxable year over the  
28 amount of the capital gain dividends attributable to the  
29 taxable year.

30           4. That portion of the wages or salaries paid or  
31 incurred for the taxable year which is equal to the amount of

1 the credit allowable for the taxable year under s. 220.181.  
2 The provisions of this subparagraph shall expire and be void  
3 on June 30, 2005.

4 5. That portion of the ad valorem school taxes paid or  
5 incurred for the taxable year which is equal to the amount of  
6 the credit allowable for the taxable year under s. 220.182.  
7 The provisions of this subparagraph shall expire and be void  
8 on June 30, 2005.

9 6. The amount of emergency excise tax paid or accrued  
10 as a liability to this state under chapter 221 which tax is  
11 deductible from gross income in the computation of taxable  
12 income for the taxable year.

13 7. That portion of assessments to fund a guaranty  
14 association incurred for the taxable year which is equal to  
15 the amount of the credit allowable for the taxable year.

16 8. In the case of a nonprofit corporation which holds  
17 a pari-mutuel permit and which is exempt from federal income  
18 tax as a farmers' cooperative, an amount equal to the excess  
19 of the gross income attributable to the pari-mutuel operations  
20 over the attributable expenses for the taxable year.

21 9. The amount taken as a credit for the taxable year  
22 under s. 220.1895 and s. 220.192.

23 10. Up to nine percent of the eligible basis of any  
24 designated project which is equal to the credit allowable for  
25 the taxable year under s. 220.185.

26 Section 5. Sections 240.6065 and 220.192, Florida  
27 Statutes, as created by this act, are repealed July 1, 2010.

28 Section 6. This act shall take effect July 1, 2000.  
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
COMMITTEE SUBSTITUTE FOR  
CS/SB 74

This committee substitute clarifies that the time period applicable to claiming credits is the taxpayer's tax year.

It clarifies that the same activity cannot receive credits under the Industrial Partnership Professor program for work done under sponsored research contracts.

It provides for credits under the Industrial Partnership Professor program to be added back to adjusted federal income.