

Amendment No. 2 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

The Council for Competitive Commerce offered the following:

Amendment (with title amendment)

On page 7, between lines 6-7 of the bill

insert:

Section 7. Paragraphs (a) and (d) of subsection (3), paragraph (a) of subsection (4), and subsections (5) and (6) of section 288.106, Florida Statutes, are amended to read:

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

(3) APPLICATION AND APPROVAL PROCESS.--

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

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

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1 number.

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

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

7 4. The number of net new full-time equivalent Florida
8 jobs at the qualified target industry business as of December
9 31 of each year included in this state that are or will be
10 ~~dedicated to~~ the project and the average wage of those jobs.
11 If more than one type of business activity or product is
12 included in the project, the number of jobs and average wage
13 for those jobs must be separately stated for each type of
14 business activity or product.

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

17 6. The anticipated commencement date of the project.

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

21 8. An estimate of the proportion of the sales
22 resulting from the project that will be made outside this
23 state.

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

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1 that endorses the proposed target industry project and pledges
2 that sources of local financial support for such project
3 exist. For the purposes of making pledges of local financial
4 support under this subsection, the authorized local economic
5 development agency shall be officially designated by the
6 passage of a one-time resolution by the local governing
7 authority.

8 10. Any additional information requested by the
9 office.

10 (d) The office shall forward its written findings and
11 evaluation concerning each application meeting the
12 requirements of paragraph (b) to the director within 45
13 calendar days after receipt of a complete application. The
14 office shall notify each target industry business when its
15 application is complete, and of the time when the 45-day
16 period begins. In its written report to the director, the
17 office shall specifically address each of the factors
18 specified in paragraph (c) and shall make a specific
19 assessment with respect to the minimum requirements
20 established in paragraph (b). The office shall include in its
21 report projections of the tax refunds the business would be
22 eligible to receive ~~refund claim that will be sought by the~~
23 ~~target industry business~~ in each fiscal year based on the
24 creation and maintenance of the net new Florida jobs specified
25 in subparagraph (a)4. as of December 31 of the preceding state
26 fiscal year information submitted in the application.

27 (4) TAX REFUND AGREEMENT.--

28 (a) Each qualified target industry business must enter
29 into a written agreement with the office which specifies, at a
30 minimum:

31 1. The total number of full-time equivalent jobs in

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1 this state that will be dedicated to the project, the average
2 wage of those jobs, the definitions that will apply for
3 measuring the achievement of these terms during the pendency
4 of the agreement, and a time schedule or plan for when such
5 jobs will be in place and active in this state. ~~This~~
6 ~~information must be the same as the information contained in~~
7 ~~the application submitted by the business under subsection~~
8 ~~(3).~~

9 2. The maximum amount of tax refunds which the
10 qualified target industry business is eligible to receive on
11 the project and the maximum amount of a tax refund that the
12 qualified target industry business is eligible to receive in
13 each fiscal year, based on the job creation and maintenance
14 schedule specified in subparagraph 1.

15 3. That the office may review and verify the financial
16 and personnel records of the qualified target industry
17 business to ascertain whether that business is in compliance
18 with this section.

19 4. The date by ~~after~~ which, in each fiscal year, the
20 qualified target industry business may file a ~~an annual~~ claim
21 under subsection (5) to be considered to receive a tax refund
22 in the following fiscal year.

23 5. That local financial support will be annually
24 available and will be paid to the account. The director may
25 not enter into a written agreement with a qualified target
26 industry business if the local financial support resolution is
27 not passed by the local governing authority within 90 days
28 after he or she has issued the letter of certification under
29 subsection (3).

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31 Any tax refund agreement or amendment executed prior to the

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1 effective date of this act shall be subject to the terms and
2 conditions specified in that agreement as dictated by the laws
3 in force at the time of execution, except with respect to
4 paragraphs (5)(e), (g), and (i).

5 (5) ANNUAL CLAIM FOR REFUND.--

6 (a) To be eligible to claim any scheduled tax refund,
7 a qualified target industry business that has entered into a
8 tax refund agreement with the office under subsection (4) must
9 may apply by January 31 of ~~once~~ each fiscal year to the office
10 for ~~the a~~ tax refund scheduled to be paid from the
11 appropriation for the fiscal year which begins on July 1
12 following the January 31 claims submission date. The office
13 may, upon written request, grant a 30-day extension of the
14 filing date. ~~The application must be made on or after the date~~
15 ~~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 the relevant ~~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 for that refund ~~in that~~
26 ~~fiscal year~~. If the local financial support provided is less
27 than 20 percent of the approved tax refund, the tax refund
28 must be reduced. In no event may the tax refund exceed an
29 amount that is equal to 5 times the amount of the local
30 financial support received. Further, funding from local
31 sources includes any tax abatement granted to that business

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1 under s. 196.1995 or the appraised market value of municipal
2 or county land conveyed or provided at a discount to that
3 business. The amount of any tax refund for such business
4 approved under this section must be reduced by the amount of
5 any such tax abatement granted or the value of the land
6 granted; and the limitations in subsection (2) and paragraph
7 (3)(f) must be reduced by the amount of any such tax abatement
8 or the value of the land granted. A report listing all sources
9 of the local financial support shall be provided to the office
10 when such support is paid to the 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 Agency for Workforce Innovation ~~Department of Labor and~~
20 ~~Employment Security~~, shall, by June 30 following the scheduled
21 date for the tax refund claim submission, specify by written
22 final order the approval or disapproval of the tax refund
23 claim and, if approved, the amount of the tax refund that is
24 authorized to be paid to for the qualified target industry
25 business for the fiscal year within 30 days after the date
26 that the claim for the annual tax refund is received by the
27 office. The office may grant an extension of this date on the
28 request of the qualified target industry business for the
29 purpose of filing additional information in support of the
30 claim.

31 (f) The total amount of tax refund claims approved by

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1 the director under this section in any fiscal year must not
2 exceed the amount authorized under s. 288.095(3).

3 (g) Nothing in this section shall create a presumption
4 that a scheduled tax refund claim will be approved and paid.

5 (h)~~(g)~~ Upon approval of the tax refund under
6 paragraphs (c), (d), and (e), the Comptroller shall issue a
7 warrant for the amount specified in the ~~final~~ order. If the
8 ~~final~~ order is appealed, the Comptroller may not issue a
9 warrant for a refund to the qualified target industry business
10 until the conclusion of all appeals of that order.

11 (i) Claims authorized in tax refund agreements or
12 amendments executed prior to the effective date of this act
13 shall be filed and evaluated under the terms and conditions
14 specified in those agreements or amendments and the laws in
15 effect at the time of execution, unless amended after that
16 date.

17 (6) ADMINISTRATION.--

18 (a) The office is authorized to verify information
19 provided in any claim submitted for tax credits under this
20 section with regard to employment and wage levels or the
21 payment of the taxes to the appropriate agency or authority,
22 including the Department of Revenue, the Agency for Workforce
23 Innovation ~~Department of Labor and Employment Security~~, or any
24 local government or authority.

25 (b) To facilitate the process of monitoring and
26 auditing applications made under this program, the office may
27 provide a list of qualified target industry businesses to the
28 Department of Revenue, to the Agency for Workforce Innovation
29 ~~Department of Labor and Employment Security~~, or to any local
30 government or authority. The office may request the assistance
31 of those entities with respect to monitoring the payment of

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1 the taxes listed in subsection (2).

2 (c) Funds specifically appropriated for Qualified
3 Targeted Industries shall not be used for any purpose other
4 than the payment of tax refunds authorized by this section.

5 Section 8 Paragraph (a) of subsection (2) of section
6 288.980, Florida Statutes, is amended to read:

7 288.980 Military base retention; legislative intent;
8 grants program.--

9 (2)(a) The Office of Tourism, Trade, and Economic
10 Development is authorized to award grants from ~~any~~ funds
11 specifically appropriated ~~available~~ to it to support
12 activities related to the retention of military installations
13 potentially affected by federal base closure or realignment.

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16 ===== T I T L E A M E N D M E N T =====

17 And the title is amended as follows:

18 On page 1, line 28 after the semicolon

19

20 insert in lieu thereof:

21 amending s. 288.106, F.S., relating to the tax
22 refund program for qualified target industry
23 businesses; revising requirements for
24 application for certification as such business
25 with respect to the number of new jobs at the
26 business and projections by the Office of
27 Tourism, Trade, and Economic Development of
28 refunds based thereon; revising requirements
29 relating to the tax refund agreement with
30 respect to job creation and the time for filing
31 of claims for refund; revising provisions

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1 relating to annual claims for refund; providing
2 an application deadline; revising provisions
3 relating to the order authorizing a tax refund;
4 specifying that nothing in said section creates
5 a presumption that a claim will be approved and
6 paid; providing applicability to tax refund
7 agreements and claims for refund executed prior
8 to the effective date of the act; revising the
9 agencies with which the office may verify
10 information and to which the office may provide
11 information; specifying that certain
12 appropriations may not be used for any purpose
13 other than the payment of specified tax
14 refunds; amending s. 288.980, F.S.; providing
15 that grants by the office to support activities
16 related to the retention of military
17 installations potentially affected by closure
18 or realignment must be from funds specifically
19 appropriated therefor;

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