

By the Committees on Appropriations; Commerce and Economic Opportunities; and Senator Diaz de la Portilla

309-1960-01

1 A bill to be entitled
 2 An act relating to economic development;
 3 amending s. 212.13, F.S.; requiring freight
 4 forwarders to provide warehouse receipts or
 5 copies of airway bills or bills of lading for
 6 certain purposes; providing receipt
 7 requirements; requiring freight forwarders to
 8 maintain certain records for a time certain;
 9 providing for effect of such documentation;
 10 providing a misdemeanor penalty for failing to
 11 provide such documentation or maintain certain
 12 records; amending s. 288.012, F.S.; changing
 13 the date for submission of certain reports by
 14 foreign offices; providing for the reports to
 15 be compiled and submitted by Enterprise
 16 Florida, Inc., as part of its annual report;
 17 amending s. 288.095, F.S.; increasing the
 18 amount of the total state share of tax refunds
 19 that may be scheduled annually for payment
 20 under the qualified target industry tax refund
 21 program and the qualified defense contractor
 22 tax refund program; revising the due date and
 23 content for an annual report on incentives and
 24 reassigning responsibility for such report to
 25 Enterprise Florida, Inc.; amending s. 288.106,
 26 F.S., relating to the tax refund program for
 27 qualified target industry businesses; revising
 28 requirements for application for certification
 29 as such business with respect to the number of
 30 current and new jobs at the business and
 31 projections by the Office of Tourism, Trade,

1 and Economic Development of refunds based
2 thereon; revising requirements relating to the
3 tax refund agreement with respect to job
4 creation and the time for filing of claims for
5 refund; revising provisions relating to annual
6 claims for refund; authorizing an extension of
7 time for signing the tax refund agreement;
8 providing an application deadline; revising
9 provisions relating to the order authorizing a
10 tax refund; revising conditions under which a
11 prorated tax refund will be approved; providing
12 for the calculation of such prorated tax
13 refund; specifying that the section does not
14 create a presumption that a claim will be
15 approved and paid; revising the agencies with
16 which the office may verify information and to
17 which the office may provide information;
18 expanding the purposes for which the office may
19 seek assistance from certain entities; amending
20 s. 288.90151, F.S.; authorizing Enterprise
21 Florida, Inc., to hire an economic analysis
22 firm to assist with certain reporting
23 requirements; directing Enterprise Florida,
24 Inc., to hire a survey firm to assist with a
25 customer-satisfaction survey; conforming
26 changes; amending s. 288.905, F.S.; revising
27 the deadline for submission of updates or
28 modifications to the strategic plan developed
29 by Enterprise Florida, Inc.; amending s.
30 288.980, F.S.; providing that grants by the
31 Office of Tourism, Trade, and Economic

1 Development to support activities related to
2 the retention of military installations
3 potentially affected by closure or realignment
4 must be from funds specifically appropriated
5 therefor; creating the "New Product Transfer
6 Enhancement Act"; creating s. 288.907, F.S.;
7 providing definitions; providing for licensing
8 of certain products or technologies by donor
9 companies to receiving companies for production
10 and marketing; providing duties of such
11 companies and of Enterprise Florida, Inc.;
12 providing requirements for product development
13 agreements; creating s. 220.115, F.S.;
14 requiring receiving companies to file a
15 corporate tax return and remit to the state
16 certain fees in addition to any corporate
17 income tax due; providing for application of
18 administrative and penalty provisions of ch.
19 220, F.S.; creating s. 220.1825, F.S.;
20 providing for a credit against the corporate
21 income tax for donor companies; providing for
22 determination of the amount of the credit by
23 Enterprise Florida, Inc., and notification to
24 the Department of Revenue; providing for
25 carryover of the credit; amending s. 220.02,
26 F.S.; providing order of credits against the
27 tax; providing effective dates.

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29 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Effective January 1, 2002, subsection (1)
2 of section 212.13, Florida Statutes, is amended to read:

3 212.13 Records required to be kept; power to inspect;
4 audit procedure.--

5 (1)(a) For the purpose of enforcing the collection of
6 the tax levied by this chapter, the department is hereby
7 specifically authorized and empowered to examine at all
8 reasonable hours the books, records, and other documents of
9 all transportation companies, agencies, or firms that conduct
10 their business by truck, rail, water, aircraft, or otherwise,
11 in order to determine what dealers, or other persons charged
12 with the duty to report or pay a tax under this chapter, are
13 importing or are otherwise shipping in articles or tangible
14 personal property which are liable for said tax. In the event
15 said transportation company, agency, or firm refuses to permit
16 such examination of its books, records, or other documents by
17 the department as aforesaid, it is guilty of a misdemeanor of
18 the first degree, punishable as provided in s. 775.082 or s.
19 775.083. If, however, any subsequent offense involves
20 intentional destruction of such records with an intent to
21 evade payment of or deprive the state of any tax revenues,
22 such subsequent offense shall be a felony of the third degree,
23 punishable as provided in s. 775.082 or s. 775.083. The
24 department shall have the right to proceed in any chancery
25 court to seek a mandatory injunction or other appropriate
26 remedy to enforce its right against the offender, as granted
27 by this section, to require an examination of the books and
28 records of such transportation company or carrier.

29 (b) Each freight forwarder operating in this state
30 shall provide a warehouse receipt for any tangible personal
31 property received from any person for the purpose of

1 transporting such property outside this state by air or water.
2 The warehouse receipt shall be provided to the person who
3 engages the freight forwarder to arrange such transportation
4 at the time the tangible personal property is delivered to the
5 freight forwarder. The warehouse receipt shall contain the
6 name, address, and telephone number of the freight forwarder,
7 a preprinted warehouse receipt number, the date the property
8 was delivered to the freight forwarder, and a brief
9 description of the tangible personal property. Within 2 weeks
10 after the date the freight forwarder receives the airway bill
11 or bill of lading from the transportation company with whom
12 the freight forwarder has contracted to transport the tangible
13 personal property, the freight forwarder shall mail or deliver
14 the airway bill or bill of lading to the person for whom the
15 freight forwarder arranged transportation of the tangible
16 personal property. The warehouse receipt and airway bill or
17 bill of lading shall constitute evidence that the tangible
18 personal property was sold in a sale for export under s.
19 212.06(5)(a). A freight forwarder shall maintain a copy of
20 each such warehouse receipt, airway bill, and bill of lading
21 in its own records for a period of 3 years. Any freight
22 forwarder who fails to provide the documentation required by
23 this paragraph to a person who arranges air or water
24 transportation of tangible personal property through the
25 freight forwarder or who fails to maintain such required
26 documentation in its records as provided in this paragraph
27 commits a misdemeanor of the second degree, punishable as
28 provided in s. 775.082 or s. 775.083.

29 Section 2. Subsection (3) of section 288.012, Florida
30 Statutes, is amended to read:

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1 288.012 State of Florida foreign offices.--The
2 Legislature finds that the expansion of international trade
3 and tourism is vital to the overall health and growth of the
4 economy of this state. This expansion is hampered by the lack
5 of technical and business assistance, financial assistance,
6 and information services for businesses in this state. The
7 Legislature finds that these businesses could be assisted by
8 providing these services at State of Florida foreign offices.
9 The Legislature further finds that the accessibility and
10 provision of services at these offices can be enhanced through
11 cooperative agreements or strategic alliances between state
12 entities, local entities, foreign entities, and private
13 businesses.

14 (3) By December ~~October~~ 1 of each year, each foreign
15 office shall submit to the Office of Tourism, Trade, and
16 Economic Development a complete and detailed report on its
17 activities and accomplishments during the preceding fiscal
18 year. The reports must be compiled and submitted to the Office
19 of Tourism, Trade, and Economic Development on behalf of the
20 foreign offices by Enterprise Florida, Inc., as part of the
21 annual report of Enterprise Florida, Inc., required under s.
22 288.906.In a format provided by Enterprise Florida, Inc., the
23 report must set forth information on:

- 24 (a) The number of Florida companies assisted.
25 (b) The number of inquiries received about investment
26 opportunities in this state.
27 (c) The number of trade leads generated.
28 (d) The number of investment projects announced.
29 (e) The estimated U.S. dollar value of sales
30 confirmations.
31 (f) The number of representation agreements.

- 1 (g) The number of company consultations.
2 (h) Barriers or other issues affecting the effective
3 operation of the office.
4 (i) Changes in office operations which are planned for
5 the current fiscal year.
6 (j) Marketing activities conducted.
7 (k) Strategic alliances formed with organizations in
8 the country in which the office is located.
9 (l) Activities conducted with other Florida foreign
10 offices.

11 (m) Any other information that the office believes
12 would contribute to an understanding of its activities.

13 Section 3. Paragraphs (a) and (c) of subsection (3) of
14 section 288.095, Florida Statutes, are amended to read:

15 288.095 Economic Development Trust Fund.--

16 (3)(a) The Office of Tourism, Trade, and Economic
17 Development may approve applications for certification
18 pursuant to ss. 288.1045(3) and 288.106. However, the total
19 state share of tax refund payments scheduled in all active
20 certifications for fiscal year 2000-2001 shall not exceed \$24
21 million. ~~The state share of tax refund payments scheduled in~~
22 ~~all active certifications for fiscal year 2001-2002 may and~~
23 ~~each subsequent year shall not exceed \$30 million. The total~~
24 ~~for each subsequent fiscal year may not exceed \$35 million.~~

25 (c) By December 31 ~~September 30~~ of each year,
26 Enterprise Florida, Inc., ~~the Office of Tourism, Trade, and~~
27 ~~Economic Development~~ shall submit a complete and detailed
28 report to the Governor, the President of the Senate, the
29 Speaker of the House of Representatives, and the Office of
30 Tourism, Trade, and Economic Development ~~board of directors of~~
31 ~~Enterprise Florida, Inc., created under part VII of this~~

1 ~~chapter~~, of all applications received, recommendations made to
2 the Office of Tourism, Trade, and Economic Development, final
3 decisions issued, tax refund agreements executed, and tax
4 refunds paid or other payments made under all programs funded
5 out of the Economic Development Incentives Account, including
6 analyses of benefits and costs, types of projects supported,
7 and employment and investment created. Enterprise Florida,
8 ~~Inc., The Office of Tourism, Trade, and Economic Development~~
9 shall also include a separate analysis of the impact of such
10 tax refunds on state enterprise zones designated pursuant to
11 s. 290.0065, rural communities, brownfield areas, and
12 distressed urban communities. ~~By December 1 of each year, the~~
13 ~~board of directors of Enterprise Florida, Inc., shall review~~
14 ~~and comment on the report, and the board shall submit the~~
15 ~~report, together with the comments of the board, to the~~
16 ~~Governor, the President of the Senate, and the Speaker of the~~
17 ~~House of Representatives.~~ The report must discuss whether the
18 authority and moneys appropriated by the Legislature to the
19 Economic Development Incentives Account were managed and
20 expended in a prudent, fiducially sound manner. The Office of
21 Tourism, Trade, and Economic Development shall assist
22 Enterprise Florida, Inc. in the collection of data related to
23 business performance and incentive payments.

24 Section 4. Paragraphs (a) and (d) of subsection (3),
25 paragraphs (a) and (c) of subsection (4), and subsections (5)
26 and (6) of section 288.106, Florida Statutes, are amended to
27 read:

28 288.106 Tax refund program for qualified target
29 industry businesses.--

30 (3) APPLICATION AND APPROVAL PROCESS.--

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

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

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

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

16 4. The number of net new full-time equivalent Florida
17 jobs at the qualified target industry business as of December
18 31 of each year included in this state that are or will be
19 ~~dedicated~~ to the project and the average wage of those jobs.
20 If more than one type of business activity or product is
21 included in the project, the number of jobs and average wage
22 for those jobs must be separately stated for each type of
23 business activity or product.

24 5. The total number of full-time equivalent employees
25 currently employed at the business unit, and if the business
26 unit is a member of a larger group of affiliated businesses,
27 an estimate of the total number of employees of these
28 affiliated businesses by the applicant in this state.

29 6. The anticipated commencement date of the project.
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1 7. A brief statement concerning the role that the tax
2 refunds requested will play in the decision of the applicant
3 to locate or expand in this state.

4 8. An estimate of the proportion of the sales
5 resulting from the project that will be made outside this
6 state.

7 9. A resolution adopted by the governing board of the
8 county or municipality in which the project will be located,
9 which resolution recommends that certain types of businesses
10 be approved as a qualified target industry business and states
11 that the commitments of local financial support necessary for
12 the target industry business exist. In advance of the passage
13 of such resolution, the office may also accept an official
14 letter from an authorized local economic development agency
15 that endorses the proposed target industry project and pledges
16 that sources of local financial support for such project
17 exist. For the purposes of making pledges of local financial
18 support under this subsection, the authorized local economic
19 development agency shall be officially designated by the
20 passage of a one-time resolution by the local governing
21 authority.

22 10. Any additional information requested by the
23 office.

24 (d) The office shall forward its written findings and
25 evaluation concerning each application meeting the
26 requirements of paragraph (b) to the director within 45
27 calendar days after receipt of a complete application. The
28 office shall notify each target industry business when its
29 application is complete, and of the time when the 45-day
30 period begins. In its written report to the director, the
31 office shall specifically address each of the factors

1 specified in paragraph (c) and shall make a specific
2 assessment with respect to the minimum requirements
3 established in paragraph (b). The office shall include in its
4 report projections of the tax refunds the business would be
5 eligible to receive ~~refund claim that will be sought by the~~
6 ~~target industry business~~ in each fiscal year based on the
7 creation and maintenance of the net new Florida jobs specified
8 in subparagraph (a)4. as of December 31 of the preceding state
9 fiscal year information submitted in the application.

10 (4) TAX REFUND AGREEMENT.--

11 (a) Each qualified target industry business must enter
12 into a written agreement with the office which specifies, at a
13 minimum:

14 1. The total number of full-time equivalent jobs in
15 this state that will be dedicated to the project, the average
16 wage of those jobs, the definitions that will apply for
17 measuring the achievement of these terms during the pendency
18 of the agreement, and a time schedule or plan for when such
19 jobs will be in place and active in this state. ~~This~~
20 ~~information must be the same as the information contained in~~
21 ~~the application submitted by the business under subsection~~
22 ~~(3).~~

23 2. The maximum amount of tax refunds which the
24 qualified target industry business is eligible to receive on
25 the project and the maximum amount of a tax refund that the
26 qualified target industry business is eligible to receive in
27 each fiscal year, based on the job creation and maintenance
28 schedule specified in subparagraph 1.

29 3. That the office may review and verify the financial
30 and personnel records of the qualified target industry
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1 business to ascertain whether that business is in compliance
2 with this section.

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

7 5. That local financial support will be annually
8 available and will be paid to the account. The director may
9 not enter into a written agreement with a qualified target
10 industry business if the local financial support resolution is
11 not passed by the local governing authority within 90 days
12 after he or she has issued the letter of certification under
13 subsection (3).

14 (c) The agreement must be signed by the director and
15 by an authorized officer of the qualified target industry
16 business within 120 days after the issuance of the letter of
17 certification under subsection (3), but not before passage and
18 receipt of the resolution of local financial support. The
19 office may grant an extension of this period at the written
20 request of the qualified target industry business.

21 (5) ANNUAL CLAIM FOR REFUND.--

22 (a) To be eligible to claim any scheduled tax refund,
23 a qualified target industry business that has entered into a
24 tax refund agreement with the office under subsection (4) must
25 ~~may~~ apply by January 31 of ~~once~~ each fiscal year to the office
26 for the a tax refund scheduled to be paid from the
27 appropriation for the fiscal year which begins on July 1
28 following the January 31 claims submission date. The office
29 may, upon written request, grant a 30-day extension of the
30 filing date. The application must be made on or after the date
31 specified in that agreement.

1 (b) The claim for refund by the qualified target
2 industry business must include a copy of all receipts
3 pertaining to the payment of taxes for which the refund is
4 sought and data related to achievement of each performance
5 item specified in the tax refund agreement. The amount
6 requested as a tax refund may not exceed the amount specified
7 for the relevant ~~that~~ fiscal year in that agreement.

8 (c) A tax refund may not be approved for a qualified
9 target industry business unless the required local financial
10 support has been paid into the account for that refund ~~in that~~
11 ~~fiscal year~~. If the local financial support provided is less
12 than 20 percent of the approved tax refund, the tax refund
13 must be reduced. In no event may the tax refund exceed an
14 amount that is equal to 5 times the amount of the local
15 financial support received. Further, funding from local
16 sources includes any tax abatement granted to that business
17 under s. 196.1995 or the appraised market value of municipal
18 or county land conveyed or provided at a discount to that
19 business. The amount of any tax refund for such business
20 approved under this section must be reduced by the amount of
21 any such tax abatement granted or the value of the land
22 granted; and the limitations in subsection (2) and paragraph
23 (3)(f) must be reduced by the amount of any such tax abatement
24 or the value of the land granted. A report listing all sources
25 of the local financial support shall be provided to the office
26 when such support is paid to the account.

27 (d) A prorated tax refund, less a 5-percent penalty,
28 shall be approved for a qualified target industry business
29 provided all other applicable requirements have been satisfied
30 and the business proves to the satisfaction of the director
31 that it has achieved at least 80 percent of its projected

1 employment and that the average wage paid by the business is
2 at least 90 percent of the average wage specified in the tax
3 refund agreement, but in no case less than 115 percent of the
4 average private-sector wage in the area available at the time
5 of the claim, or 150 percent or 200 percent of the average
6 private-sector wage if the business requested the additional
7 per job tax refund authorized in (2)(b) for wages above those
8 levels. The prorated tax refund shall be calculated by
9 multiplying the tax refund amount for which the qualified
10 target industry business would have been eligible, if all
11 applicable requirements had been satisfied, by the percentage
12 of the average employment specified in the tax refund
13 agreement which was achieved, and by the percentage of the
14 average wages specified in the tax refund agreement which was
15 achieved.

16 (e) The director, with such assistance as may be
17 required from the office, the Department of Revenue, or the
18 Agency for Workforce Innovation ~~Department of Labor and~~
19 ~~Employment Security~~, shall, by June 30 following the scheduled
20 date for the tax refund claim submission, specify by written
21 ~~final~~ order the approval or disapproval of the tax refund
22 claim and, if approved, the amount of the tax refund that is
23 authorized to be paid to for the qualified target industry
24 business for the fiscal year within 30 days after the date
25 that the claim for the annual tax refund is received by the
26 office. The office may grant an extension of this date on the
27 request of the qualified target industry business for the
28 purpose of filing additional information in support of the
29 claim.

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

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

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

12 (6) ADMINISTRATION.--

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

20 (b) To facilitate the process of monitoring and
21 auditing applications made under this program, the office may
22 provide a list of qualified target industry businesses to the
23 Department of Revenue, to the Agency for Workforce Innovation
24 ~~Department of Labor and Employment Security~~, or to any local
25 government or authority. The office may request the assistance
26 of those entities with respect to monitoring jobs and wages
27 and the payment of the taxes listed in subsection (2).

28 Section 5. Subsection (8) of section 288.90151,
29 Florida Statutes, is amended to read:

30 288.90151 Return on investment from activities of
31 Enterprise Florida, Inc.--

1 (8) Enterprise Florida, Inc., in consultation with the
2 Office of Program Policy Analysis and Government
3 Accountability, shall hire a private accounting firm or an
4 economic analysis firm to develop the methodology for
5 establishing and reporting return-on-investment and in-kind
6 contributions as described in this section and a survey firm
7 to develop, analyze, and report on the results of the
8 customer-satisfaction survey. The Office of Program Policy
9 Analysis and Government Accountability shall review and offer
10 feedback on the methodology before it is implemented. The
11 firms used to satisfy the requirements of this subsection
12 ~~private accounting firm~~ shall certify whether the applicable
13 statements in the annual report comply with this subsection.

14 Section 6. Subsection (2) of section 288.905, Florida
15 Statutes, is amended to read:

16 288.905 Duties of the board of directors of Enterprise
17 Florida, Inc.--

18 (2) The board of directors shall, in conjunction with
19 the Office of Tourism, Trade, and Economic Development, the
20 Office of Urban Opportunities, and local and regional economic
21 development partners, develop a strategic plan for economic
22 development for the State of Florida. Such plan shall be
23 submitted to the Governor, the President of the Senate, the
24 Speaker of the House of Representatives, the Senate Minority
25 Leader, and the House Minority Leader and shall be updated or
26 modified before January 31 ± of each year. The plan must be
27 approved by the board of directors prior to submission to the
28 Governor and Legislature.

29 Section 7. Paragraph (a) of subsection (2) of section
30 288.980, Florida Statutes, is amended to read:

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1 288.980 Military base retention; legislative intent;
2 grants program.--

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

8 Section 8. Sections 9 through 11 of this act may be
9 cited as the "New Product Transfer Enhancement Act."

10 Section 9. Section 288.907, Florida Statutes, is
11 created to read:

12 288.907 Licensing of products or technologies by donor
13 companies to receiving companies; tax credits.--

14 (1) The purpose of this section is to promote economic
15 growth by providing an incentive for corporations which have
16 developed or patented products or technologies they do not
17 wish to develop further to license those items to companies
18 located in Florida for production and marketing.

19 (2) As used in this section:

20 (a) "Annual statement of corporate tax credit" means
21 the statement produced by Enterprise Florida, Inc., for each
22 donor company listing the total amount of credit available to
23 the donor company for all of the product development
24 agreements it has entered into. This statement shall also
25 include any additional information specified in the product
26 development agreement.

27 (b) "Annual statement of fees due" means the statement
28 submitted by the receiving company to Enterprise Florida,
29 Inc., and the Department of Revenue each year, which lists the
30 amount of fees and royalties owed by it under the product
31 development agreement to the donor company for the preceding

1 calendar year. This statement shall contain any additional
2 information specified in the product development agreement.

3 (c) "Donor company" means an entity subject to the tax
4 imposed by chapter 220 which has developed or holds the patent
5 for a product or technology that it does not wish to develop
6 itself and which has entered into a product development
7 agreement.

8 (d) "Product development agreement" means a contract
9 or series of contracts which provides the receiving company
10 with the right to produce and market a product or technology
11 which was developed or patented by the donor company.

12 (e) "Receiving company" means a business operating in
13 Florida which has entered into a product development agreement
14 for the purpose of obtaining the right to produce and market a
15 product or technology from a donor company.

16 (3) Enterprise Florida, Inc., shall actively seek out
17 corporations which may be interested in becoming donor
18 companies and Florida businesses which may be interested in
19 becoming receiving companies and attempt to facilitate the
20 formation of product development agreements.

21 (4) To qualify under this section, a product
22 development agreement shall specify that a minimum of 75
23 percent of the jobs created by the production of the new
24 product or technology shall be located in Florida. In
25 addition, the agreement shall specify the amount of
26 compensation to be remitted by the receiving company for the
27 license. The agreement shall further provide for submission by
28 the receiving company of an annual statement of fees due to
29 both Enterprise Florida, Inc., and the Department of Revenue
30 and specify the information to be included in the statement.

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1 (5) Each receiving company shall submit an annual
2 statement of fees due to Enterprise Florida, Inc., and the
3 Department of Revenue by February 1 each year, in a format
4 approved by Enterprise Florida, Inc. Enterprise Florida, Inc.,
5 shall be responsible for producing an annual statement of
6 corporate tax credit for each donor company using the
7 information contained in the statements. The corporate tax
8 credit for each donor company shall equal 94.5 percent of the
9 total of the amounts specified in the annual statements of
10 fees due from all receiving companies with which it has
11 entered a product development agreement. In any year the total
12 amount of credits granted under all annual statements of
13 corporate tax credit shall not exceed 94.5 percent of the
14 amount due to the state under all annual statements of fees
15 due.

16 (6) Enterprise Florida, Inc., shall send the annual
17 statement of corporate tax credit to each donor company by
18 March 1 each year. These statements shall contain the
19 information specified by the product development agreement.
20 Enterprise Florida, Inc., shall also submit to the Department
21 of Revenue a statement, in a format approved by the
22 department, which specifies the amount of tax credit due to
23 each donor company and the identities of the receiving
24 companies from which those credits originated.

25 Section 10. Section 220.115, Florida Statutes, is
26 created to read:

27 220.115 Fees due from receiving companies pursuant to
28 s. 288.907.--In addition to the tax imposed by this chapter,
29 any company that has entered into a product development
30 agreement pursuant to s. 288.907 as a receiving company shall
31 remit to the state the funds listed as due on the annual

1 statement of fees due which the company has submitted to both
2 Enterprise Florida, Inc., and the Department of Revenue. Even
3 if no tax is due under this chapter and a return would not
4 normally be required, a Florida corporate income tax return
5 shall be filed by the receiving company, and the funds listed
6 on the annual statement of fees due shall be remitted to the
7 department, subject to all filing requirements, fines, and
8 penalties specified for returns and taxes due under this
9 chapter. The Department of Revenue may adopt rules requiring
10 the information that it considers necessary to ensure that the
11 funds due under this section are properly reported and paid,
12 including, but not limited to, rules relating to the methods,
13 forms (including the filing of returns by the receiving
14 companies), deadlines, and penalties for providing the
15 information required under this section.

16 Section 11. Section 220.1825, Florida Statutes, is
17 created to read:

18 220.1825 Credit for donor companies pursuant to s.
19 288.907.--A credit against the tax imposed by this chapter
20 shall be allowed to a donor company that has entered into a
21 product development agreement pursuant to s. 288.907, which
22 credit shall be limited to 94.5 percent of the amount stated
23 in the annual statement of corporate tax credit provided to
24 the company by Enterprise Florida, Inc. If any credit granted
25 under this section is not fully used in the first year for
26 which it becomes available, the unused amount may be carried
27 forward for a period not to exceed 5 years. The Department of
28 Revenue may adopt rules relating to the method of reporting
29 and claiming this credit.

30 Section 12. Subsection (8) of section 220.02, Florida
31 Statutes, is amended to read:

1 220.02 Legislative intent.--

2 (8) It is the intent of the Legislature that credits
3 against either the corporate income tax or the franchise tax
4 be applied in the following order: those enumerated in s.
5 631.828, those enumerated in s. 220.191, those enumerated in
6 s. 220.181, those enumerated in s. 220.183, those enumerated
7 in s. 220.182, those enumerated in s. 220.1895, those
8 enumerated in s. 221.02, those enumerated in s. 220.184, those
9 enumerated in s. 220.186, those enumerated in s. 220.1845,
10 those enumerated in s. 220.19, ~~and~~ those enumerated in s.
11 220.185, and those enumerated in s. 220.1825.

12 Section 13. Except for sections 1, 8, 9, 10, 11, and
13 12 of this act, which shall take effect January 1, 2002, this
14 act shall take effect July 1, 2001.

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16 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
17 COMMITTEE SUBSTITUTE FOR
18 CS/SB 2008

19

19 Revises the due date and content for an annual report on
20 incentives and re-assigns responsibility for the report to
Enterprise, Florida, Inc.

21 Provides authority for OTTED to grant an extension of time to
22 sign a tax refund agreement based on a written request from a
qualified target industry business.

23 Expands conditions under which a prorated tax refund shall be
24 approved and specifies a method for calculating the prorated
refund.

25 Provides for certain record keeping by freight forwarders to
26 ensure necessary dealer documentation of transactions.

27 Creates the "New Product Transfer Enhancement Act," which will
28 provide a mechanism for a company that has developed or holds
patents to technologies or products to license those products
or technologies to another company operating in Florida.

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