

Amendment No. \_\_\_\_ (for drafter's use only)

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

Representative(s) Stansel and Weissman offered the following:

**Amendment (with title amendment)**

On page 1, line 25 through page 7, line 15  
remove from the bill: all of said lines

and insert in lieu thereof:

Section 1. Section 220.187, Florida Statutes, is  
created to read:

220.187 Credits for contributions to public schools  
and nonprofit scholarship funding organizations.--

(1) PURPOSE.--The purpose of this section is to:

(a) Provide a tax credit for certain contributions to  
public schools and nonprofit scholarship funding  
organizations.

(b) Expand educational opportunities for children of  
families that have limited financial resources.

(c) Enable children in this state to achieve a greater  
level of excellence in their education.

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

(a) "Eligible contribution" means a monetary

Amendment No. \_\_\_\_ (for drafter's use only)

1 contribution from a corporation, subject to the restrictions  
2 provided in this section, to public schools or an eligible  
3 nonprofit scholarship funding organization, if the taxpayer  
4 making the contribution does not designate a specific child as  
5 the beneficiary of the contribution.

6 (b) "Eligible nonpublic school" means a nonpublic  
7 school located in Florida that offers a general education to  
8 K-12 students and complies with the antidiscrimination  
9 provisions of 42 U.S.C., s.2000d.

10 (c) "Eligible nonprofit scholarship funding  
11 organization" means a charitable organization that is exempt  
12 from federal income tax pursuant to s. 501(c)(3) of the  
13 Internal Revenue Code and that complies with the provisions of  
14 subsection (4).

15 (3) AMOUNT OF CREDIT.--A corporate taxpayer shall be  
16 allowed a credit equal to 100 percent of all eligible  
17 contributions made during a taxable year against any tax due  
18 for that taxable year under this chapter. However, such a  
19 credit shall not exceed 75 percent of the tax due under this  
20 chapter for the taxable year after the application of any  
21 other allowable credits by the taxpayer.

22 (4) ELIGIBLE NONPROFIT SCHOLARSHIP FUNDING  
23 ORGANIZATION OBLIGATIONS.--

24 (a) An eligible nonprofit scholarship funding  
25 organization shall provide scholarships from eligible  
26 contributions to children from families that meet the income  
27 eligibility guidelines for free and reduced price lunch meals  
28 pursuant to the National School Lunch Act for:

29 1. Any expenses, including, but not limited to,  
30 tuition, textbook, and transportation expenses, at an eligible  
31 nonpublic school;

Amendment No. \_\_\_\_ (for drafter's use only)

1           2. Instructional expenses for participation in a home  
2 education program as defined in s. 232.0201; or

3           3. Transportation expenses to a Florida public school  
4 that is located outside of the district in which the student  
5 resides.

6           (b) The amount of a scholarship provided to any child  
7 for any single school year by all eligible nonprofit  
8 scholarship funding organization from eligible contributions  
9 shall not exceed the following annual limits:

10           1. \$4,000 for a scholarship awarded to a student  
11 enrolled in an eligible nonpublic school.

12           2. \$1,000 for a scholarship awarded to a student  
13 enrolled in a home education program as defined in s.  
14 232.0201.

15           3. \$500 for a scholarship awarded to a student  
16 enrolled in a Florida public school that is located outside of  
17 the district in which the student resides.

18           (c) An eligible nonprofit scholarship funding  
19 organization shall allocate over a 5-year period 100 percent  
20 of the annual eligible contributions received for scholarships  
21 awarded pursuant to this subsection. At least 20 percent of  
22 the eligible contributions received by the organization must  
23 be disbursed each year. No portion of eligible contributions  
24 may be used for administrative expenses.

25           (5) PUBLIC SCHOOL DISTRIBUTIONS.--Contributions from  
26 corporations shall be directed to the school, the school  
27 district, or the Department of Education, as directed by the  
28 corporation.

29           (6) FUNDING.--The total statewide amount authorized  
30 for the tax credit provided by this section shall be annually  
31 established in the General Appropriations Act and shall be

Amendment No. \_\_\_\_ (for drafter's use only)

1 allocated to corporations on a first-come, first-served basis.  
2 If on any day the amount of tax credits applied for and  
3 qualified for approval exceeds the funding provided pursuant  
4 to this subsection that remains available to be allocated, the  
5 Department of Revenue shall prorate the credits among all  
6 corporations applying during that day, as evidenced by the  
7 postmark or other identification of the application date,  
8 which are qualified for approval, and inform each corporation  
9 of the approved amount.

10 (7) ADMINISTRATION; RULES.--

11 (a) If the credit granted pursuant to this section is  
12 not fully used in any one year, the unused amount may not be  
13 carried forward. A taxpayer may not convey, assign, or  
14 transfer the credit authorized by this section to another  
15 entity unless all of the assets of the taxpayer are conveyed,  
16 assigned, or transferred in the same transaction.

17 (b) An application for a tax credit pursuant to this  
18 section shall be submitted to the Department of Revenue on  
19 forms established by rule of the Department of Revenue.

20 (c) The Department of Revenue and the Department of  
21 Education shall develop a cooperative agreement to assist in  
22 the administration of this section. The Department of  
23 Education shall be responsible for annually submitting to the  
24 Department of Revenue a list of eligible nonprofit scholarship  
25 funding organizations that meet the requirements of paragraph  
26 (2)(c).

27 (d) The Department of Revenue shall adopt rules  
28 necessary to administer this section, including rules  
29 establishing application forms and procedures.

30 (e) The Department of Education shall adopt rules  
31 necessary to confirm compliance of nonprofit scholarship

Amendment No. \_\_\_\_ (for drafter's use only)

1 funding organizations.

2 Section 2. Subsection (8) of section 220.02, Florida  
3 Statutes, is amended to read:

4 220.02 Legislative intent.--

5 (8) It is the intent of the Legislature that credits  
6 against either the corporate income tax or the franchise tax  
7 be applied in the following order: those enumerated in s.  
8 631.828, those enumerated in s. 220.191, those enumerated in  
9 s. 220.181, those enumerated in s. 220.183, those enumerated  
10 in s. 220.182, those enumerated in s. 220.1895, those  
11 enumerated in s. 221.02, those enumerated in s. 220.184, those  
12 enumerated in s. 220.186, those enumerated in s. 220.1845,  
13 those enumerated in s. 220.19, ~~and~~ those enumerated in s.  
14 220.185, and those enumerated in s. 220.187.

15 Section 3. Paragraph (a) of subsection (1) of section  
16 220.13, Florida Statutes, is amended to read:

17 220.13 "Adjusted federal income" defined.--

18 (1) The term "adjusted federal income" means an amount  
19 equal to the taxpayer's taxable income as defined in  
20 subsection (2), or such taxable income of more than one  
21 taxpayer as provided in s. 220.131, for the taxable year,  
22 adjusted as follows:

23 (a) Additions.--There shall be added to such taxable  
24 income:

25 1. The amount of any tax upon or measured by income,  
26 excluding taxes based on gross receipts or revenues, paid or  
27 accrued as a liability to the District of Columbia or any  
28 state of the United States which is deductible from gross  
29 income in the computation of taxable income for the taxable  
30 year.

31 2. The amount of interest which is excluded from

Amendment No. \_\_\_\_ (for drafter's use only)

1 taxable income under s. 103(a) of the Internal Revenue Code or  
2 any other federal law, less the associated expenses disallowed  
3 in the computation of taxable income under s. 265 of the  
4 Internal Revenue Code or any other law, excluding 60 percent  
5 of any amounts included in alternative minimum taxable income,  
6 as defined in s. 55(b)(2) of the Internal Revenue Code, if the  
7 taxpayer pays tax under s. 220.11(3).

8           3. In the case of a regulated investment company or  
9 real estate investment trust, an amount equal to the excess of  
10 the net long-term capital gain for the taxable year over the  
11 amount of the capital gain dividends attributable to the  
12 taxable year.

13           4. That portion of the wages or salaries paid or  
14 incurred for the taxable year which is equal to the amount of  
15 the credit allowable for the taxable year under s. 220.181.  
16 The provisions of this subparagraph shall expire and be void  
17 on June 30, 2005.

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

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

27           7. That portion of assessments to fund a guaranty  
28 association incurred for the taxable year which is equal to  
29 the amount of the credit allowable for the taxable year.

30           8. In the case of a nonprofit corporation which holds  
31 a pari-mutuel permit and which is exempt from federal income

Amendment No. \_\_\_\_ (for drafter's use only)

1 tax as a farmers' cooperative, an amount equal to the excess  
2 of the gross income attributable to the pari-mutuel operations  
3 over the attributable expenses for the taxable year.

4 9. The amount taken as a credit for the taxable year  
5 under s. 220.1895.

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

9 11. The amount taken as a credit for the taxable year  
10 under s. 220.187.

11 Section 4. This act shall take effect January 1, 2002.

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

15 And the title is amended as follows:

16 On page 1, lines 2-21

17 remove from the title of the bill: all of said lines

18

19 and insert in lieu thereof:

20 An act relating to corporate income tax;  
21 creating s. 220.187, F.S.; providing purpose;  
22 providing definitions; providing a credit  
23 against said tax for contributions to public  
24 schools and nonprofit scholarship funding  
25 organizations; providing limitations; providing  
26 for use of such contributions by public schools  
27 and organizations for scholarships for certain  
28 children and providing requirements and  
29 limitations with respect thereto; providing for  
30 annual funding through the General  
31 Appropriations Act; providing for allocation;

Amendment No. \_\_\_\_ (for drafter's use only)

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providing duties of the Department of Revenue and Department of Education; providing for rules; amending s. 220.02, F.S.; providing order of credits against the tax; amending s. 220.13, F.S.; providing for the inclusion of amounts taken as credit under s. 220.187, F.S., in determining a taxpayer's adjusted federal income; providing an effective date.