

Bill No. CS for SB 2062

Amendment No. ____ Barcode 951652

CHAMBER ACTION

Senate

House

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Senators Campbell, Margolis and Bullard moved the following amendment:

Senate Amendment (with title amendment)

On page 1, line 20, through
page 2, line 26, delete those lines

and insert:

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

220.187 Credits for contributions to eligible public K-12 schools or nonprofit scholarship-funding organizations.--

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

(a) Encourage private, voluntary contributions to eligible public K-12 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, the term:

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1 (a) "Department" means the Department of Revenue.

2 (b) "Eligible contribution" means a monetary
3 contribution from a taxpayer, subject to the restrictions
4 provided in this section, to an eligible public K-12 school or
5 nonprofit scholarship-funding organization. The taxpayer
6 making the contribution to an eligible nonprofit scholarship
7 funding organization may not designate a specific child as the
8 beneficiary of the contribution. The taxpayer may not
9 contribute more than \$100,000 to a single eligible public K-12
10 school or more than \$5 million to any single eligible
11 nonprofit scholarship-funding organization.

12 (c) "Eligible nonpublic school" means a nonpublic
13 school located in Florida that offers an education to students
14 in any grades K-12 and that meets the requirements in
15 subsection (5).

16 (d) "Eligible nonprofit scholarship-funding
17 organization" means a charitable organization that is exempt
18 from federal income tax pursuant to s. 501(c)(3) of the
19 Internal Revenue Code and that complies with the provisions of
20 subsection (4).

21 (e) "Qualified student" means a student who qualifies
22 for free or reduced-price school lunches under the National
23 School Lunch Act and who:

24 1. Was counted as a full-time equivalent student
25 during the previous state fiscal year for purposes of state
26 per-student funding;

27 2. Received a scholarship from an eligible nonprofit
28 scholarship-funding organization during the previous school
29 year; or

30 3. Is eligible to enter kindergarten or first grade.

31 (f) "Eligible public K-12 school" means a public K-12

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1 school as described in s. 1000.04(1), at which at least 70
 2 percent of the students enrolled at the school qualify for
 3 free or reduced-price school lunches under the National School
 4 Lunch Act.

5 (3) AUTHORIZATION TO GRANT ~~SCHOLARSHIP-FUNDING~~ TAX
 6 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

7 (a) There is allowed a credit of 100 percent of an
 8 eligible contribution against any tax due for a taxable year
 9 under this chapter. However, such a credit may not exceed 75
 10 percent of the tax due under this chapter for the taxable
 11 year, after the application of any other allowable credits by
 12 the taxpayer. However, at least 5 percent of the total
 13 statewide amount authorized for the tax credit shall be
 14 reserved for taxpayers who meet the definition of a small
 15 business provided in s. 288.703(1) at the time of application.
 16 The credit granted by this section shall be reduced by the
 17 difference between the amount of federal corporate income tax
 18 taking into account the credit granted by this section and the
 19 amount of federal corporate income tax without application of
 20 the credit granted by this section.

21 (b) The total amount of tax credit which may be
 22 granted each state fiscal year under this section is ~~\$70~~^{\$50}
 23 million.

24 (c) A taxpayer who files a Florida consolidated return
 25 as a member of an affiliated group pursuant to s. 220.131(1)
 26 may be allowed the credit on a consolidated return basis;
 27 however, the total credit taken by the affiliated group is
 28 subject to the limitation established under paragraph (a).

29 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT
 30 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

31 (a) An eligible nonprofit scholarship-funding

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1 organization shall provide scholarships, from eligible
2 contributions, to qualified students for:

3 1. Tuition or textbook expenses for, or transportation
4 to, an eligible nonpublic school. At least 75 percent of the
5 scholarship funding must be used to pay tuition expenses; or

6 2. Transportation expenses to a Florida public school
7 that is located outside the district in which the student
8 resides.

9 (b) An eligible nonprofit scholarship-funding
10 organization shall give priority to qualified students who
11 received a scholarship from an eligible nonprofit
12 scholarship-funding organization during the previous school
13 year.

14 (c) The amount of a scholarship provided to any child
15 for any single school year by all eligible nonprofit
16 scholarship-funding organizations from eligible contributions
17 shall not exceed the following annual limits:

18 1. Beginning in the 2003-2004 school year, \$3,500
19 ~~Three thousand five hundred dollars~~ for a scholarship awarded
20 to a student enrolled in an eligible nonpublic school. The
21 amount of the scholarship shall be adjusted annually based on
22 the percentage change in the Consumer Price Index for the
23 prior year.

24 2. Beginning in the 2003-2004 school year, \$500 ~~Five~~
25 ~~hundred dollars~~ for a scholarship awarded to a student
26 enrolled in a Florida public school that is located outside
27 the district in which the student resides. The amount of the
28 scholarship shall be adjusted annually based on the percentage
29 change in the Consumer Price Index for the prior year.

30 (d) The amount of an eligible contribution which may
31 be accepted by an eligible nonprofit scholarship-funding

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1 organization is limited to the amount needed to provide
2 scholarships for qualified students which the organization has
3 identified and for which vacancies in eligible nonpublic
4 schools have been identified.

5 (e) An eligible nonprofit scholarship-funding
6 organization that receives an eligible contribution must spend
7 100 percent of the eligible contribution to provide
8 scholarships in the same state fiscal year in which the
9 contribution was received. No portion of eligible
10 contributions may be used for administrative expenses. All
11 interest accrued from contributions must be used for
12 scholarships.

13 (f) An eligible nonprofit scholarship-funding
14 organization that receives eligible contributions must provide
15 to the Auditor General an annual financial and compliance
16 audit of its accounts and records conducted by an independent
17 certified public accountant and in accordance with rules
18 adopted by the Auditor General.

19 (g) Payment of the scholarship by the eligible
20 nonprofit scholarship-funding organization shall be by
21 individual warrant or check made payable to the student's
22 parent. If the parent chooses for his or her child to attend
23 an eligible nonpublic school, the warrant or check must be
24 mailed by the eligible nonprofit scholarship-funding
25 organization to the nonpublic school of the parent's choice,
26 and the parent shall restrictively endorse the warrant or
27 check to the nonpublic school. An eligible nonprofit
28 scholarship-funding organization shall ensure that, upon
29 receipt of a scholarship warrant or check, the parent to whom
30 the warrant or check is made restrictively endorses the
31 warrant or check to the nonpublic school of the parent's

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1 choice for deposit into the account of the nonpublic school.

2 (5) ELIGIBLE NONPUBLIC SCHOOL OBLIGATIONS.--An

3 eligible nonpublic school must:

4 (a) Demonstrate fiscal soundness by being in operation
5 for one school year or provide the Department of Education
6 with a statement by a certified public accountant confirming
7 that the nonpublic school desiring to participate is insured
8 and the owner or owners have sufficient capital or credit to
9 operate the school for the upcoming year serving the number of
10 students anticipated with expected revenues from tuition and
11 other sources that may be reasonably expected. In lieu of such
12 a statement, a surety bond or letter of credit for the amount
13 equal to the scholarship funds for any quarter may be filed
14 with the department.

15 (b) Comply with the antidiscrimination provisions of
16 42 U.S.C. s. 2000d.

17 (c) Meet state and local health and safety laws and
18 codes.

19 (d) Comply with all state laws relating to general
20 regulation of nonpublic schools.

21 (6) ELIGIBLE K-12 PUBLIC SCHOOL OBLIGATIONS.--A K-12
22 public school shall use eligible contributions to enhance the
23 instructional program of the school.

24 (7)(6) ADMINISTRATION; RULES.--

25 (a) If the credit granted pursuant to this section is
26 not fully used in any one year because of insufficient tax
27 liability on the part of the corporation, the unused amount
28 may ~~not~~ be carried forward for a period not to exceed 3 years.

29 A taxpayer may not convey, assign, or transfer the credit
30 authorized by this section to another entity unless all of the
31 assets of the taxpayer are conveyed, assigned, or transferred

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1 in the same transaction.

2 (b) An application for a tax credit pursuant to this
3 section shall be submitted to the department on forms
4 established by rule of the department. This carryforward
5 applies to all approved contributions made on or after January
6 1, 2002.

7 (c) The department and the Department of Education
8 shall develop a cooperative agreement to assist in the
9 administration of this section. The Department of Education
10 shall be responsible for annually submitting, by March 15, to
11 the department a list of eligible nonprofit
12 scholarship-funding organizations that meet the requirements
13 of paragraph (2)(d) and for monitoring eligibility of
14 nonprofit scholarship-funding organizations that meet the
15 requirements of paragraph (2)(d), eligibility of nonpublic
16 schools that meet the requirements of paragraph (2)(c), and
17 eligibility of expenditures under this section as provided in
18 subsection (4).

19 (d) The department shall adopt rules necessary to
20 administer this section, including rules establishing
21 application forms and procedures and governing the allocation
22 of tax credits under this section on a first-come,
23 first-served basis.

24 (e) The Department of Education shall adopt rules
25 necessary to determine eligibility of K-12 public schools and
26 nonprofit scholarship-funding organizations as defined in
27 paragraphs paragraph (2)(d) and (f) and according to the
28 provisions of subsections subsection (4) and (6) and identify
29 qualified students as defined in paragraph (2)(e).

30 ~~(8)(7)~~ DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--All
31 eligible contributions received by an eligible K-12 public

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1 school or nonprofit scholarship-funding organization shall be
2 deposited in a manner consistent with s. 18.10(2).

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

6 And the title is amended as follows:

7 On page 1, line 8, after the semicolon,

8

9 insert:

10 providing that contributions to certain public
11 and charter K-12 schools qualify for the tax
12 credit;

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