

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

CHAMBER ACTION

Senate

House

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Senator Fasano moved the following amendment:

**Senate Amendment (with title amendment)**

On page 8, between lines 14 and 15,

insert:

Section 4. Paragraph (b) of subsection (2) of section 220.183, Florida Statutes, is amended, to read:

220.183 Community contribution tax credit.--

(2) ELIGIBILITY REQUIREMENTS.--

(b)1. All community contributions must be reserved exclusively for use in projects as defined in s. 220.03(1)(t). ~~The Office of Tourism, Trade, and Economic Development may reserve up to 50 percent of the available annual tax credits for housing for very-low-income households pursuant to s. 420.9071(28) for the first 6 months of the fiscal year.~~

2. Within the first 6 months of the fiscal year, no more than 50 percent of the annual tax credits may be approved for donations made to approved sponsors for projects that provide housing for low-income or very-low-income households as defined in s. 420.9071(19) and (28).

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

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If less than 50 percent of the annual tax credits for donations made to approved sponsors for projects other than those for low-income or very-low-income households are approved within the first 6 months of the fiscal year, the Office of Tourism, Trade, and Economic Development may approve the balance of tax credits for donations made to approved sponsors for projects that provide housing for low-income or very-low-income households.

Section 5. Paragraph (q) of subsection (5) of section 212.08, Florida Statutes, is amended to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.--The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.--

(q) Community contribution tax credit for donations.--

1. Authorization.--Beginning July 1, 2001, persons who are registered with the department under s. 212.18 to collect or remit sales or use tax and who make donations to eligible sponsors are eligible for tax credits against their state sales and use tax liabilities as provided in this paragraph:

a. The credit shall be computed as 50 percent of the person's approved annual community contribution;

b. The credit shall be granted as a refund against state sales and use taxes reported on returns and remitted in the 12 months preceding the date of application to the department for the credit as required in sub-subparagraph 3.c.

If the annual credit is not fully used through such refund

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 because of insufficient tax payments during the applicable  
2 12-month period, the unused amount may be included in an  
3 application for a refund made pursuant to sub-subparagraph  
4 3.c. in subsequent years against the total tax payments made  
5 for such year. Carryover credits may be applied for a 3-year  
6 period without regard to any time limitation that would  
7 otherwise apply under s. 215.26;

8 c. No person shall receive more than \$200,000 in  
9 annual tax credits for all approved community contributions  
10 made in any one year;

11 d. All proposals for the granting of the tax credit  
12 shall require the prior approval of the Office of Tourism,  
13 Trade, and Economic Development;

14 e. The total amount of tax credits which may be  
15 granted for all programs approved under this paragraph, s.  
16 220.183, and s. 624.5105 is \$10 million annually; and

17 f. A person who is eligible to receive the credit  
18 provided for in this paragraph, s. 220.183, or s. 624.5105 may  
19 receive the credit only under the one section of the person's  
20 choice.

21 2. Eligibility requirements.--

22 a. A community contribution by a person must be in the  
23 following form:

24 (I) Cash or other liquid assets;

25 (II) Real property;

26 (III) Goods or inventory; or

27 (IV) Other physical resources as identified by the  
28 Office of Tourism, Trade, and Economic Development.

29 b.(I) All community contributions must be reserved  
30 exclusively for use in a project. As used in this  
31 sub-subparagraph, the term "project" means any activity

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 undertaken by an eligible sponsor which is designed to  
2 construct, improve, or substantially rehabilitate housing that  
3 is affordable to low-income or very-low-income households as  
4 defined in s. 420.9071(19) and (28); designed to provide  
5 commercial, industrial, or public resources and facilities; or  
6 designed to improve entrepreneurial and job-development  
7 opportunities for low-income persons. A project may be the  
8 investment necessary to increase access to high-speed  
9 broadband capability in rural communities with enterprise  
10 zones, including projects that result in improvements to  
11 communications assets that are owned by a business. A project  
12 may include the provision of museum educational programs and  
13 materials that are directly related to any project approved  
14 between January 1, 1996, and December 31, 1999, and located in  
15 an enterprise zone as referenced in s. 290.00675. This  
16 paragraph does not preclude projects that propose to construct  
17 or rehabilitate housing for low-income or very-low-income  
18 households on scattered sites. ~~The Office of Tourism, Trade,~~  
19 ~~and Economic Development may reserve up to 50 percent of the~~  
20 ~~available annual tax credits for housing for very-low-income~~  
21 ~~households pursuant to s. 420.9071(28) for the first 6 months~~  
22 ~~of the fiscal year.~~ With respect to housing, contributions may  
23 be used to pay the following eligible low-income and  
24 very-low-income housing-related activities:

25       (A)(I) Project development impact and management fees  
26 for low-income or very-low-income housing projects;

27       (B)(II) Down payment and closing costs for eligible  
28 persons, as defined in s. 420.9071(19) and (28);

29       (C)(III) Administrative costs, including housing  
30 counseling and marketing fees, not to exceed 10 percent of the  
31 community contribution, directly related to low-income or

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 very-low-income projects; and

2 ~~(D)(IV)~~ Removal of liens recorded against residential  
 3 property by municipal, county, or special district local  
 4 governments when satisfaction of the lien is a necessary  
 5 precedent to the transfer of the property to an eligible  
 6 person, as defined in s. 420.9071(19) and (28), for the  
 7 purpose of promoting home ownership. Contributions for lien  
 8 removal must be received from a nonrelated third party.

9 (II) Within the first 6 months of the fiscal year, no  
 10 more than 50 percent of the annual tax credits may be approved  
 11 for donations made to approved sponsors for projects that  
 12 provide housing for low-income or very-low-income households  
 13 as defined in s. 420.9071(19) and (28).

14  
 15 If less than 50 percent of the annual tax credits for  
 16 donations made to approved sponsors for projects other than  
 17 those for low-income or very-low-income households are  
 18 approved within the first 6 months of the fiscal year, the  
 19 Office of Tourism, Trade and Economic Development may approve  
 20 the balance of tax credits for donations made to approved  
 21 sponsors for projects that provide housing for low-income or  
 22 very-low-income households.

23 c. The project must be undertaken by an "eligible  
 24 sponsor," which includes:

25 (I) A community action program;

26 (II) A nonprofit community-based development  
 27 organization whose mission is the provision of housing for  
 28 low-income or very-low-income households or increasing  
 29 entrepreneurial and job-development opportunities for  
 30 low-income persons;

31 (III) A neighborhood housing services corporation;

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 (IV) A local housing authority created under chapter  
2 421;

3 (V) A community redevelopment agency created under s.  
4 163.356;

5 (VI) The Florida Industrial Development Corporation;

6 (VII) A historic preservation district agency or  
7 organization;

8 (VIII) A regional workforce board;

9 (IX) A direct-support organization as provided in s.  
10 1009.983;

11 (X) An enterprise zone development agency created  
12 under s. 290.0056;

13 (XI) A community-based organization incorporated under  
14 chapter 617 which is recognized as educational, charitable, or  
15 scientific pursuant to s. 501(c)(3) of the Internal Revenue  
16 Code and whose bylaws and articles of incorporation include  
17 affordable housing, economic development, or community  
18 development as the primary mission of the corporation;

19 (XII) Units of local government;

20 (XIII) Units of state government; or

21 (XIV) Any other agency that the Office of Tourism,  
22 Trade, and Economic Development designates by rule.

23

24 In no event may a contributing person have a financial  
25 interest in the eligible sponsor.

26 d. The project must be located in an area designated  
27 an enterprise zone or a Front Porch Florida Community pursuant  
28 to s. 14.2015(9)(b), unless the project increases access to  
29 high-speed broadband capability for rural communities with  
30 enterprise zones but is physically located outside the  
31 designated rural zone boundaries. Any project designed to

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 construct or rehabilitate housing for low-income or  
2 very-low-income households as defined in s. 420.0971(19) and  
3 (28) is exempt from the area requirement of this  
4 sub-subparagraph.

5 3. Application requirements.--

6 a. Any eligible sponsor seeking to participate in this  
7 program must submit a proposal to the Office of Tourism,  
8 Trade, and Economic Development which sets forth the name of  
9 the sponsor, a description of the project, and the area in  
10 which the project is located, together with such supporting  
11 information as is prescribed by rule. The proposal must also  
12 contain a resolution from the local governmental unit in which  
13 the project is located certifying that the project is  
14 consistent with local plans and regulations.

15 b. Any person seeking to participate in this program  
16 must submit an application for tax credit to the Office of  
17 Tourism, Trade, and Economic Development which sets forth the  
18 name of the sponsor, a description of the project, and the  
19 type, value, and purpose of the contribution. The sponsor  
20 shall verify the terms of the application and indicate its  
21 receipt of the contribution, which verification must be in  
22 writing and accompany the application for tax credit. The  
23 person must submit a separate tax credit application to the  
24 office for each individual contribution that it makes to each  
25 individual project.

26 c. Any person who has received notification from the  
27 Office of Tourism, Trade, and Economic Development that a tax  
28 credit has been approved must apply to the department to  
29 receive the refund. Application must be made on the form  
30 prescribed for claiming refunds of sales and use taxes and be  
31 accompanied by a copy of the notification. A person may submit

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 only one application for refund to the department within any  
2 12-month period.

3 4. Administration.--

4 a. The Office of Tourism, Trade, and Economic  
5 Development may adopt rules pursuant to ss. 120.536(1) and  
6 120.54 necessary to administer this paragraph, including rules  
7 for the approval or disapproval of proposals by a person.

8 b. The decision of the Office of Tourism, Trade, and  
9 Economic Development must be in writing, and, if approved, the  
10 notification shall state the maximum credit allowable to the  
11 person. Upon approval, the office shall transmit a copy of the  
12 decision to the Department of Revenue.

13 c. The Office of Tourism, Trade, and Economic  
14 Development shall periodically monitor all projects in a  
15 manner consistent with available resources to ensure that  
16 resources are used in accordance with this paragraph; however,  
17 each project must be reviewed at least once every 2 years.

18 d. The Office of Tourism, Trade, and Economic  
19 Development shall, in consultation with the Department of  
20 Community Affairs, the Florida Housing Finance Corporation,  
21 and the statewide and regional housing and financial  
22 intermediaries, market the availability of the community  
23 contribution tax credit program to community-based  
24 organizations.

25 5. Expiration.--This paragraph expires June 30, 2005;  
26 however, any accrued credit carryover that is unused on that  
27 date may be used until the expiration of the 3-year carryover  
28 period for such credit.

29 Section 6. Paragraph (b) of subsection (2) of section  
30 624.5105, Florida Statutes, is amended to read:

31 624.5105 Community contribution tax credit;



Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 authorization; limitations; eligibility and application  
2 requirements; administration; definitions; expiration.--

3 (2) ELIGIBILITY REQUIREMENTS.--

4 (b)1. Each community contribution must be reserved  
5 exclusively for use in a project as defined in s.  
6 220.03(1)(t).

7 2. Within the first 6 months of the fiscal year, no  
8 more than 50 percent of the annual tax credits may be approved  
9 for donations made to approved sponsors for projects that  
10 provide housing for low-income or very-low-income households  
11 as defined in s. 420.9071(19) and (28).

12  
13 If less than 50 percent of the annual tax credits for  
14 donations made to approved sponsors for projects other than  
15 those for low-income and very-low-income households are  
16 approved within the first 6 months of the fiscal year, the  
17 Office of Tourism, Trade, and Economic Development may approve  
18 the balance of tax credits for donations made to approved  
19 sponsors for projects that provide housing for low-income or  
20 very-low-income households.

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22 (Redesignate subsequent sections.)

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24  
25 ===== T I T L E A M E N D M E N T =====

26 And the title is amended as follows:

27 On page 1, line 26, after the semicolon,

28  
29 insert:

30 amending ss. 220.183, 212.08, 624.5105, F.S.;

31 requiring that no more than 50 percent of the

Bill No. CS for SB 2492

Amendment No. \_\_\_\_ Barcode 593630

1 available annual tax credits may be granted for  
2 low-income and very-low-income households,  
3 under certain conditions, in order to be  
4 eligible for a community contribution tax  
5 credit;

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