

By Senator Diaz de la Portilla

36-1804-03

See HB 1629

1                                   A bill to be entitled  
2           An act relating to urban revitalization;  
3           providing a popular name; providing  
4           definitions; providing criteria and procedures  
5           for an urban revitalization tax-free zone;  
6           creating the Urban Revitalization Task Force;  
7           providing for membership and duties; providing  
8           for reimbursement for travel expenses;  
9           providing for an executive director, technical  
10          experts, and other employees; specifying  
11          criteria to be eligible for tax exemptions;  
12          requiring a report; requiring review of the  
13          Tax-Free Urban Revitalization Pilot Project by  
14          the Office of Program Policy Analysis and  
15          Government Accountability; providing for future  
16          repeal of the act; providing an effective date.

17

18 Be It Enacted by the Legislature of the State of Florida:

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20           Section 1. This act shall be known by the popular name  
21 the "Tax-Free Urban Revitalization Pilot Project Act."

22           Section 2. Definitions.--As used in this act, the  
23 term:

24           (1) "Business" means any activity engaged in by any  
25 person, or caused to be engaged in by any person, with the  
26 object of private or public gain, benefit, or advantage,  
27 either direct or indirect. Except for the sales of any  
28 aircraft, boat, mobile home, or motor vehicle, the term  
29 "business" shall not be construed to include occasional or  
30 isolated sales or transactions involving tangible personal  
31 property or services by a person who does not hold himself or

1 herself out as engaged in business, but includes other charges  
2 for the sale or rental of tangible personal property, sales of  
3 services taxable under chapter 212, Florida Statutes, sales or  
4 charges of admission, communication services, all rentals and  
5 leases of living quarters, other than low-rent housing  
6 operated under chapter 421, Florida Statutes, sleeping or  
7 housekeeping accommodations in hotels, apartment houses,  
8 rooming houses, tourist or trailer camps, and all rentals of  
9 or licenses in real property, other than low-rent housing  
10 operated under chapter 421, Florida Statutes, all leases or  
11 rentals of or licenses in parking lots or garages for motor  
12 vehicles, docking or storage spaces for boats in boat docks or  
13 marinas as defined in section 159.02(21), Florida Statutes,  
14 and made subject to a tax imposed by this act.

15 (2) "Tax-free zone" means an urban revitalization zone  
16 which will allow qualified businesses, as determined by the  
17 Urban Revitalization Task Force, to be exempt from charging  
18 and paying state sales tax and from document taxes, within  
19 Miami-Dade County, specifically the area bordered by northwest  
20 23rd Street to the north, northwest 5th Street to the south,  
21 northeast First Avenue to the east, and northwest 8th Avenue  
22 to the west.

23 (3) "Urban Revitalization Task Force" means the task  
24 force created under section 4 that determines which businesses  
25 can apply for document tax and sales tax exemptions.

26 Section 3. Urban revitalization tax-free zone;  
27 criteria; procedures.--

28 (1)(a) Any business established beginning July 1,  
29 2003, in the tax-free zone specified in subsection 1(2) shall  
30 receive a sales tax exemption under section 212.08, Florida  
31 Statutes. In order for a new business to receive this sales

1 tax exemption and receive an exemption on document taxes, said  
2 business must apply with the Urban Revitalization Task Force  
3 created under section 4 for such exemption.

4 (b) The exemption shall be available to a new business  
5 for a period not to exceed the year in which ad valorem taxes  
6 are first levied against the business and the 10 years  
7 immediately thereafter. The credit shall be available to an  
8 expanded existing business for a period not to exceed the year  
9 in which ad valorem taxes are first levied on additional real  
10 or tangible personal property acquired to facilitate the  
11 expansion or rebuilding and the 5 years immediately  
12 thereafter.

13 (c) To be eligible for an exemption, a new, expanded,  
14 or rebuilt business shall file a notice with the Urban  
15 Revitalization Task Force. The notice shall be filed no later  
16 than April 1 of the year in which new or additional real or  
17 tangible personal property acquired to facilitate such new,  
18 expanded, or rebuilt facility is first subject to assessment.  
19 The notice shall be made on a form prescribed by the  
20 Department of Revenue and shall include separate descriptions  
21 of:

22 1. Real and tangible personal property owned or leased  
23 by the business prior to expansion, if any.

24 2. Net new or additional real and tangible personal  
25 property acquired to facilitate the new, expanded, or rebuilt  
26 facility.

27 (2)(a) To apply for a sales and document tax exemption  
28 under this act, a new, expanded, or rebuilt business must file  
29 under oath with the Urban Revitalization Task Force an  
30 application prescribed by the task force for claiming the  
31 exemption authorized by this section. Within 10 working days

1 after receipt of an application, the task force shall review  
2 the application to determine whether it contains all the  
3 information required pursuant to this section and meets the  
4 criteria set out in this section. The task force shall certify  
5 all applications that contain the information required  
6 pursuant to this section and meet the criteria set out in this  
7 section as eligible to receive a credit. The task force shall  
8 also certify whether 20 percent of the employees of the  
9 business, excluding temporary and part-time employees, are  
10 residents of this zone or of a contiguous enterprise zone. The  
11 certification shall be in writing, and a copy of the  
12 certification shall be transmitted to the executive director  
13 of the Department of Revenue. The business shall be  
14 responsible for forwarding all certified applications to the  
15 department.

16 (b) When filing for a tax exemption, a business shall  
17 indicate whether it is a small business as defined by section  
18 288.703(1), Florida Statutes.

19 (c) The provisions of this section shall expire and be  
20 void on June 30, 2013, and no business shall be allowed to  
21 begin claiming such sales tax exemptions after that date.

22 Section 4. Urban Revitalization Task Force; creation;  
23 membership and duties.--

24 (1) The Urban Revitalization Task Force shall be  
25 composed of a business owner operating within the tax-free  
26 zone, appointed by the Governor; a resident residing within  
27 the tax-free zone, appointed by the Governor; a member of the  
28 House of Representatives residing in Miami-Dade County,  
29 appointed by the Speaker of the House of Representatives; a  
30 member of the Senate residing in the county, appointed by the  
31 President of the Senate; a county commissioner appointed by

1 the County Mayor; a city commissioner appointed by the City  
2 Mayor; and the director of the Office of Tourism, Trade, and  
3 Economic Development. The terms of office for task force  
4 members shall be for 4 years. A vacancy occurring during a  
5 term shall be filled for the unexpired term in the same manner  
6 as the original appointment. A task force member shall receive  
7 no compensation for his or her services, but is entitled to  
8 the necessary expenses, including travel expenses as provided  
9 in section 112.061, Florida Statutes, incurred in the  
10 discharge of his or her duties. Each task force member shall  
11 hold office until a successor has been appointed and has  
12 qualified. A certificate of the appointment or reappointment  
13 of any task force member shall be filed with the clerk of  
14 Miami-Dade County, and the certificate is conclusive evidence  
15 of the due and proper appointment of the task force member.  
16 The task force must meet on a quarterly basis, at a minimum,  
17 in order to review and make determinations as to business to  
18 attain tax-free status. The task force shall vote and  
19 designate a chair and vice chair.

20 (2) The task force may employ an executive director,  
21 technical experts, and such other agents and employees,  
22 permanent and temporary, as it requires, and determine their  
23 qualifications, duties, and compensation. For such legal  
24 services as it requires, the task force may employ or retain  
25 its own counsel and legal staff. The task force authorized to  
26 transact business and exercise powers under this act shall  
27 file with the governing body, on or before March 31 of each  
28 year, a report of its activities for the preceding fiscal  
29 year, which report shall include a complete financial  
30 statement setting forth its assets, liabilities, income, and  
31 operating expenses as of the end of such fiscal year. At the

1 time of filing the report, the task force shall publish in a  
2 newspaper of general circulation in the community a notice to  
3 the effect that such report has been filed with the county or  
4 municipality and that the report is available for inspection  
5 during business hours in the office of the clerk of Miami-Dade  
6 County and in the office of the task force.

7 (3) In order to qualify for a tax exemption under this  
8 act, a business must provide a statement, under oath, that no  
9 less than 20 percent of its employees are residents of the  
10 tax-free zone or an enterprise zone in the area. The business  
11 may be exempt from this 20-percent requirement if it is able  
12 to demonstrate just cause to the task force. It shall be a  
13 condition precedent to maintaining tax-free status that such  
14 employment requirements be fulfilled throughout each year  
15 during the 10-year period of the credit. The statement shall  
16 set forth the name and place of residence of each permanent  
17 employee on the last day of business of the tax year for which  
18 the credit is claimed or, if the employee is no longer  
19 employed or eligible for the credit on that date, the last  
20 calendar day of the last full calendar month the employee was  
21 employed or eligible for the credit at the relevant site.

22 Section 5. Review of pilot project.--Prior to the 2012  
23 Regular Session of the Legislature, the Office of Program  
24 Policy Analysis and Government Accountability shall review and  
25 evaluate the effectiveness and viability of the Tax-Free Urban  
26 Revitalization Pilot Project created under this act. The  
27 Office of Program Policy Analysis and Government  
28 Accountability shall specifically evaluate whether relief from  
29 certain taxes induced new investment and development in the  
30 area; increased the number of jobs created or retained in the  
31 area; induced the renovation, rehabilitation, restoration,

1 improvement, or new construction of businesses or housing  
2 within the area; or contributed to the economic viability and  
3 profitability of business and commerce located within the  
4 area. The Office of Program Policy Analysis and Government  
5 Accountability shall submit a report of its findings and  
6 recommendations to the Speaker of the House of Representatives  
7 and the President of the Senate no later than January 15,  
8 2012.

9           Section 6. This act shall stand repealed on June 30,  
10 2013, and any designation made pursuant to this act shall be  
11 revoked on that date.

12           Section 7. This act shall take effect upon becoming a  
13 law.

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