

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Attkisson offered the following:

**Amendment (with title amendment)**

Between line(s) 1684 and 1685, insert:

Section 15. Section 220.1875, Florida Statutes, is created to read:

220.1875 Credits for contributions to nonprofit scholarship-funding organizations; scholarships for dependent children of active duty or reserve personnel in the United States military, United States Armed Forces veterans, or members of the Florida National Guard.--

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

(a) Encourage private, voluntary contributions to nonprofit scholarship-funding organizations.

(b) Expand educational opportunities for dependent children of active duty or reserve personnel in the United

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27 States military, United States Armed Forces veterans, or members  
28 of the Florida National Guard.

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

31 (2) DEFINITIONS.--As used in this section, the term:

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

33 (b) "Eligible contribution" means a monetary contribution  
34 from a taxpayer, subject to the restrictions provided in this  
35 section, to an eligible nonprofit scholarship-funding  
36 organization. The taxpayer making the contribution may not  
37 designate a specific child as the beneficiary of the  
38 contribution. The taxpayer may not contribute more than \$5  
39 million in 2003 dollars, adjusted annually thereafter to reflect  
40 increases or decreases in the Consumer Price Index, to any  
41 single eligible nonprofit scholarship-funding organization.

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

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

49 (e) "Qualified student" means a dependent child of active  
50 duty or reserve personnel in the United States military, a  
51 dependent child of a United States Armed Forces veteran, a  
52 dependent child of a member of the Florida National Guard, or  
53 any qualified student, pursuant to s. 220.187, as further  
54 provided in paragraph (4)(d).

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55 (3) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX  
56 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

57 (a) There is allowed a credit of 100 percent of an  
58 eligible contribution against any tax due for a taxable year  
59 under this chapter. However, such a credit may not exceed 75  
60 percent of the tax due under this chapter for the taxable year,  
61 after the application of any other allowable credits by the  
62 taxpayer. The credit granted by this section shall be reduced by  
63 the difference between the amount of federal corporate income  
64 tax taking into account the credit granted by this section and  
65 the amount of federal corporate income tax without application  
66 of the credit granted by this section.

67 (b) The total amount of tax credit that may be granted  
68 each state fiscal year under this section is \$10 million in 2003  
69 dollars, adjusted annually thereafter to reflect increases or  
70 decreases in the Consumer Price Index.

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

76 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING  
77 ORGANIZATIONS.--

78 (a) An eligible nonprofit scholarship-funding organization  
79 shall provide scholarships, from eligible contributions, to  
80 qualified students for:

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

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84 2. Transportation expenses to a Florida public school that  
85 is located outside the district in which the student resides.

86 (b) An eligible nonprofit scholarship-funding organization  
87 shall give priority to qualified students who received a  
88 scholarship from an eligible nonprofit scholarship-funding  
89 organization during the previous school year.

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

94 1. Three thousand five hundred dollars in 2003 dollars,  
95 adjusted annually thereafter to reflect increases or decreases  
96 in the Consumer Price Index, for a scholarship awarded to a  
97 student enrolled in an eligible nonpublic school.

98 2. Five hundred dollars in 2003 dollars, adjusted annually  
99 thereafter to reflect increases or decreases in the Consumer  
100 Price Index, for a scholarship awarded to a student enrolled in  
101 a Florida public school that is located outside the district in  
102 which the student resides.

103 (d) An eligible nonprofit scholarship-funding organization  
104 that receives an eligible contribution must spend 100 percent of  
105 the eligible contribution to provide scholarships within 6  
106 months after the date the contribution was received or in the  
107 same state fiscal year in which the contribution was received,  
108 whichever is later. An eligible nonprofit scholarship-funding  
109 organization may use eligible contributions to provide  
110 scholarships to qualified students, pursuant to s. 220.187,  
111 after it has served qualified dependent children of active duty  
112 or reserve personnel in the United States military, dependent

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113 children of United States Armed Forces veterans, or dependent  
114 children of members of the Florida National Guard. No portion of  
115 eligible contributions may be used for administrative expenses.  
116 All interest accrued from contributions must be used for  
117 scholarships.

118 (e) An eligible nonprofit scholarship-funding organization  
119 that receives eligible contributions must provide to the Auditor  
120 General an annual financial and compliance audit of its accounts  
121 and records conducted by an independent certified public  
122 accountant and in accordance with rules adopted by the Auditor  
123 General.

124 (f) Payment of the scholarship by the eligible nonprofit  
125 scholarship-funding organization shall be by individual warrant  
126 or check made payable to the student's parent. If the parent  
127 chooses for his or her child to attend an eligible nonpublic  
128 school, the warrant or check must be mailed by the eligible  
129 nonprofit scholarship-funding organization to the nonpublic  
130 school of the parent's choice, and the parent shall  
131 restrictively endorse the warrant or check to the nonpublic  
132 school. An eligible nonprofit scholarship-funding organization  
133 shall ensure that, upon receipt of a scholarship warrant or  
134 check, the parent to whom the warrant or check is made payable  
135 restrictively endorses the warrant or check to the nonpublic  
136 school of the parent's choice for deposit into the account of  
137 the nonpublic school.

138 (5) ELIGIBLE NONPUBLIC SCHOOL OBLIGATIONS.--An eligible  
139 nonpublic school must:

140 (a) Demonstrate fiscal soundness by being in operation for  
141 one school year or provide the Department of Education with a

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142 statement by a certified public accountant confirming that the  
143 nonpublic school desiring to participate is insured and the  
144 owner or owners have sufficient capital or credit to operate the  
145 school for the upcoming year serving the number of students  
146 anticipated with expected revenues from tuition and other  
147 sources that may be reasonably expected. In lieu of such a  
148 statement, a surety bond or letter of credit for the amount  
149 equal to the scholarship funds for any quarter may be filed with  
150 the department.

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

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

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

156 (6) ADMINISTRATION; RULES.--

157 (a) An application for a tax credit pursuant to this  
158 section shall be submitted to the department on forms  
159 established by rule of the department.

160 (b) The department and the Department of Education shall  
161 develop a cooperative agreement to assist in the administration  
162 of this section. The Department of Education shall be  
163 responsible for annually submitting, by March 15, to the  
164 department a list of eligible nonprofit scholarship-funding  
165 organizations that meet the requirements of paragraph (2)(d) and  
166 for monitoring eligibility of nonprofit scholarship-funding  
167 organizations that meet the requirements of paragraph (2)(d),  
168 eligibility of nonpublic schools that meet the requirements of  
169 paragraph (2)(c), and eligibility of expenditures under this  
170 section as provided in subsection (4).

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171 (c) The department shall adopt rules necessary to  
172 administer this section, including rules establishing  
173 application forms and procedures and governing the allocation of  
174 tax credits under this section on a first-come, first-served  
175 basis.

176 (d) The Department of Education shall adopt rules  
177 necessary to determine eligibility of nonprofit scholarship-  
178 funding organizations as defined in paragraph (2)(d) and  
179 according to the provisions of subsection (4) and identify  
180 qualified students as defined in paragraph (2)(e).

181 (7) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--All eligible  
182 contributions received by an eligible nonprofit scholarship-  
183 funding organization shall be deposited in a manner consistent  
184 with s. 18.10(2).

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

188 Remove line(s) 56, and insert:  
189 scholarship program; creating s. 220.1875, F.S.; creating  
190 a corporate income tax credit scholarship program for  
191 dependents of military personnel and veterans; providing  
192 requirements and limitations; amending s. 1002.20, F.S.,  
193 relating