

CHAMBER ACTION

1 The Committee on Commerce recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to tax refunds for hiring a person who has
7 a disability; creating a tax refund program for hiring a
8 person who has a disability; providing definitions;
9 authorizing certain businesses to receive a refund of
10 certain eligible taxes; prescribing the amount of refunds;
11 providing criteria and limitations; authorizing additional
12 refunds for providing employee health insurance;
13 prescribing taxes that may be refunded; providing limits
14 on refunds; providing a criminal penalty for owners or
15 operators of businesses fraudulently claiming a refund;
16 providing for repayment of refunds plus penalties;
17 providing requirements, deadlines, and procedures relating
18 to claiming refunds; providing duties of the Division of
19 Vocational Rehabilitation of the Department of Education
20 and the Department of Revenue; specifying that refunds are
21 subject to legislative appropriation; providing for
22 proration of refunds under certain circumstances;
23 providing duties of the Chief Financial Officer; providing

24 | for review and approval of applications for refunds;
 25 | providing for interagency cooperation and sharing of
 26 | information; providing for agency rules; providing for
 27 | future repeal; providing an appropriation; providing an
 28 | effective date.

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30 | Be It Enacted by the Legislature of the State of Florida:

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32 | Section 1. Tax refund program for hiring a person who has
 33 | a disability.--

34 | (1) DEFINITIONS.--As used in this section:

35 | (a) "Business" means an employing unit, as defined in s.
 36 | 443.036, Florida Statutes, which is registered for unemployment
 37 | compensation purposes with the state agency providing
 38 | unemployment tax collection services under contract with the
 39 | Agency for Workforce Innovation through an interagency agreement
 40 | under s. 443.1316, Florida Statutes, or a subcategory or
 41 | division of an employing unit which is accepted by the state
 42 | agency providing unemployment tax collection services as a
 43 | reporting unit.

44 | (b) "Division" means the Division of Vocational
 45 | Rehabilitation of the Department of Education.

46 | (c) "Eligible employee" means a person who has a
 47 | disability and who:

- 48 | 1. Was hired after July 1, 2004.
- 49 | 2. Works at least 80 hours per month.
- 50 | 3. Receives a salary that exceeds the federal minimum
 51 | wage.

52 (d) "Fiscal year" means the state fiscal year.

53 (e) "Person who has a disability" means the same as that
 54 term is used in s. 413.20, Florida Statutes, and as further
 55 prescribed in rules of the division implementing this section.

56 (f) "Qualified business" means a business that has been
 57 approved by the division to receive a tax refund under this
 58 section as provided in subsection (3).

59 (g) "Taxable year" means taxable year as defined in s.
 60 220.03(1), Florida Statutes.

61 (2) TAX REFUND; ELIGIBLE AMOUNTS.--

62 (a) A business that hires a person who has a disability
 63 may receive a refund of eligible taxes certified by the division
 64 which were paid by the business.

65 (b) The refund shall be equal to 20 percent of the portion
 66 of the actual monthly wages paid in this state to each eligible
 67 employee which exceeds the federal minimum wage. The refund
 68 under this paragraph, however, may not exceed \$6,000 per
 69 eligible employee per fiscal year.

70 (c) Notwithstanding paragraph (b), a business may receive
 71 an additional refund equal to \$70 per month for each eligible
 72 employee who is covered by a health insurance plan offered by
 73 the business.

74 (d) A business may claim a refund for any month during
 75 which an eligible employee is employed by the business. An
 76 eligible employee may serve as the basis for refunds for a
 77 period not to exceed 2 calendar years.

78 (e) A business may claim refunds for no more than five
 79 eligible employees.

80 (f) A business may:
 81 1. Receive refunds for the following taxes due and paid by
 82 that business beginning with the first taxable year of the
 83 business after hiring the eligible employee:
 84 a. Corporate income taxes under chapter 220, Florida
 85 Statutes.
 86 b. Insurance premium tax under s. 624.509, Florida
 87 Statutes.
 88 2. Receive refunds for the following taxes due and paid by
 89 that business after hiring the eligible employee:
 90 a. Taxes on sales, use, and other transactions under
 91 chapter 212, Florida Statutes.
 92 b. Intangible personal property taxes under chapter 199,
 93 Florida Statutes.
 94 c. Emergency excise taxes under chapter 221, Florida
 95 Statutes.
 96 d. Excise taxes on documents under chapter 201, Florida
 97 Statutes.
 98 e. Ad valorem taxes paid, as defined in s. 220.03(1),
 99 Florida Statutes.
 100 (g) However, a business may not receive a refund under
 101 this section for any amount of credit, refund, or exemption
 102 granted to that business for any of such taxes. If a refund for
 103 such taxes is provided by the division, which taxes are
 104 subsequently adjusted by the application of any credit, refund,
 105 or exemption granted to the qualified business other than as
 106 provided in this section, the business shall reimburse the
 107 division for the amount of that credit, refund, or exemption. A

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108 qualified business shall notify and tender payment to the
 109 division within 20 days after receiving any credit, refund, or
 110 exemption other than one provided in this section. Any payment
 111 received by the division under this paragraph shall be deposited
 112 into the General Revenue Fund.

113 (h) The owner or operator of any business that
 114 fraudulently claims a refund under this section:

115 1. Is liable for repayment of the amount of the refund,
 116 plus a mandatory penalty in the amount of 200 percent of the tax
 117 refund, which shall be deposited into the General Revenue Fund.

118 2. Commits a felony of the third degree, punishable as
 119 provided in s. 775.082, s. 775.083, or s. 775.084, Florida
 120 Statutes.

121 (3) ANNUAL CLAIM FOR REFUND; APPROVAL.--

122 (a) Beginning January 1, 2005, to be eligible to claim a
 123 tax refund under this section, a business must apply by January
 124 1 to the division for the tax refund, to be paid from the
 125 appropriation by the Legislature for the fiscal year that begins
 126 on July 1 following the January 1 claims-submission date.

127 (b) The claim for a refund by the business must include:

128 1. A copy of all receipts pertaining to the payment of
 129 taxes for which the refund is sought.

130 2. Documentation, in a form and manner prescribed by the
 131 division, demonstrating that an eligible employee is the basis
 132 for the refund.

133 3. Documentation, if applicable, in a form and manner
 134 prescribed by the division, demonstrating that the eligible
 135 employee who is the basis for the refund is covered by the

136 health insurance plan of the business in a manner that satisfies
 137 paragraph (2)(c).

138 (c) The division, with such assistance as may be required
 139 from the Department of Revenue or the Agency for Workforce
 140 Innovation, shall, by March 30 following the date for submission
 141 of the tax refund claim, specify by written order the approval
 142 or disapproval of the tax refund claim and, if approved, the
 143 amount of the tax refund that is authorized to be paid to the
 144 qualified business for the annual tax refund. The Department of
 145 Revenue shall verify the payment of taxes for which the refund
 146 is sought.

147 (d) This section does not create a presumption that a tax
 148 refund claim will be approved and paid to a qualified business.
 149 Refunds under this section are subject to appropriation by the
 150 Legislature.

151 (e) If the Legislature does not appropriate an amount
 152 sufficient to pay all refunds determined by the division to be
 153 qualified for payment in a fiscal year, the division shall amend
 154 the written orders under paragraph (c) relating to that fiscal
 155 year and prorate refunds to qualified businesses for that fiscal
 156 year.

157 (f) Upon approval of the claim for a tax refund, and upon
 158 an appropriation by the Legislature for refunds under this
 159 section, the Chief Financial Officer shall issue a warrant for
 160 the amount specified in the written order or, if applicable, the
 161 revised written order. If the written order or revised written
 162 order is appealed, the Chief Financial Officer may not issue a

163 warrant for a refund to the qualified business until the
 164 conclusion of all appeals of the order.

165 (4) ADMINISTRATION.--

166 (a) The division may verify information provided in any
 167 claim submitted for tax refunds under this section with regard
 168 to employment and wage levels or the payment of the taxes to the
 169 appropriate agency or authority, including the Department of
 170 Revenue, the Agency for Workforce Innovation, or any local
 171 government or authority.

172 (b) To facilitate the process of monitoring and auditing
 173 applications made under this section, the division may provide a
 174 list of businesses to the Department of Revenue, the Agency for
 175 Workforce Innovation, or any local government or authority. The
 176 office may request the assistance of those entities with respect
 177 to monitoring jobs, wages, and the payment of the taxes listed
 178 in subsection (2).

179 (c) Funds specifically appropriated for the tax refund
 180 program under this section may not be used for any purpose other
 181 than the payment of tax refunds authorized by this section.

182 (d) The division may adopt rules pursuant to ss.
 183 120.536(1) and 120.54, Florida Statutes, to administer this
 184 section.

185 (5) EXPIRATION.--This section is repealed June 30, 2010.

186 Section 2. The sum of \$2,820,000 is appropriated from the
 187 General Revenue Fund to the Department of Education for the
 188 payment of refunds during fiscal year 2004-2005 under the tax
 189 refund program for hiring a disabled person as created by this
 190 act.

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191 | Section 3. This act shall take effect upon becoming a law.