

1 A bill to be entitled
2 An act relating to tax refund programs for
3 qualified target industry businesses and
4 qualified defense contractors; amending s.
5 288.095, F.S.; requiring the Office of Tourism,
6 Trade, and Economic Development to pay claims
7 for tax refunds in the order approved;
8 authorizing certain tax refunds to be paid from
9 an appropriation in a subsequent fiscal year;
10 requiring the Office of Tourism, Trade, and
11 Economic Development to provide notice of an
12 anticipated shortfall in the amount necessary
13 to satisfy tax refund claims; eliminating a
14 requirement for prorating of tax refunds;
15 requiring Enterprise Florida, Inc., to report
16 on the efforts of the Office of Tourism, Trade,
17 and Economic Development to amend tax refund
18 agreements; requiring Enterprise Florida, Inc.,
19 to report the name and tax refund amount paid
20 to each business under the programs; amending
21 s. 288.1045, F.S.; defining the term "jobs" to
22 include new and retained jobs; requiring
23 applications for certification to include the
24 number of jobs retained; providing that new
25 applicants may not be certified for the tax
26 refund program for qualified defense
27 contractors after June 30, 2009; specifying
28 that tax refund agreements existing on that
29 date continue in effect; amending s. 288.106,
30 F.S.; providing that new applicants may not be
31 certified for the tax refund program for

1 qualified target industry businesses after June
 2 30, 2009; specifying that tax refund agreements
 3 existing on that date continue in effect;
 4 requiring the Office of Tourism, Trade, and
 5 Economic Development to attempt to amend
 6 certain tax refund agreements, to conform;
 7 providing an effective date.

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

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 11 Section 1. Paragraphs (b) and (c) of subsection (3) of
 12 section 288.095, Florida Statutes, are amended to read:

13 288.095 Economic Development Trust Fund.--

14 (3)

15 (b) The total amount of tax refund claims approved for
 16 payment by the Office of Tourism, Trade, and Economic
 17 Development based on actual project performance may not exceed
 18 the amount appropriated to the Economic Development Incentives
 19 Account for such purposes for the fiscal year. Claims for tax
 20 refunds under ss. 288.1045 and 288.106 shall be paid in the
 21 order the claims are approved by the Office of Tourism, Trade,
 22 and Economic Development. In the event the Legislature does
 23 not appropriate an amount sufficient to satisfy ~~the estimates~~
 24 ~~by the office for~~ tax refunds under ss. 288.1045 and 288.106
 25 in a fiscal year, the Office of Tourism, Trade, and Economic
 26 Development shall pay the tax refunds from the appropriation
 27 for the following fiscal year. By March 1 of each year, the
 28 Office of Tourism, Trade, and Economic Development shall
 29 notify the legislative appropriations committees of any
 30 anticipated shortfall in the amount of funds needed to satisfy
 31 claims for tax refunds from the appropriation for the current

1 ~~fiscal year., not later than July 15 of such year, determine~~
2 ~~the proportion of each refund claim which shall be paid by~~
3 ~~dividing the amount appropriated for tax refunds for the~~
4 ~~fiscal year by the estimated total of refund claims for the~~
5 ~~fiscal year. The amount of each claim for a tax refund shall~~
6 ~~be multiplied by the resulting quotient. If, after the payment~~
7 ~~of all such refund claims, funds remain in the Economic~~
8 ~~Development Incentives Account for tax refunds, the office~~
9 ~~shall recalculate the proportion for each refund claim and~~
10 ~~adjust the amount of each claim accordingly.~~

11 (c) By December 31 of each year, Enterprise Florida,
12 Inc., shall submit a complete and detailed report to the
13 Governor, the President of the Senate, the Speaker of the
14 House of Representatives, and the director of the Office of
15 Tourism, Trade, and Economic Development of all applications
16 received, recommendations made to the Office of Tourism,
17 Trade, and Economic Development, final decisions issued, tax
18 refund agreements executed, and tax refunds paid or other
19 payments made under all programs funded out of the Economic
20 Development Incentives Account, including analyses of benefits
21 and costs, types of projects supported, and employment and
22 investment created. Enterprise Florida, Inc., shall also
23 include a separate analysis of the impact of such tax refunds
24 on state enterprise zones designated pursuant to s. 290.0065,
25 rural communities, brownfield areas, and distressed urban
26 communities. The report must discuss whether the authority and
27 moneys appropriated by the Legislature to the Economic
28 Development Incentives Account were managed and expended in a
29 prudent, fiducially sound manner. The report must also discuss
30 the efforts made by the Office of Tourism, Trade, and Economic
31 Development to amend tax refund agreements to require tax

1 refund claims to be submitted by January 31 for the net new
2 full-time equivalent Florida jobs as of December 31 of the
3 preceding calendar year. The report must also list the name
4 and tax refund amount for each business that has received a
5 tax refund under s. 288.1045 or s. 288.106 during the prior
6 fiscal year. The Office of Tourism, Trade, and Economic
7 Development shall assist Enterprise Florida, Inc., in the
8 collection of data related to business performance and
9 incentive payments.

10 Section 2. Paragraph (g) of subsection (1), paragraphs
11 (b), (c), and (d) of subsection (3), and subsection (7) of
12 section 288.1045, Florida Statutes, are amended to read:

13 288.1045 Qualified defense contractor tax refund
14 program.--

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

16 (g) "Jobs" means full-time equivalent positions,
17 consistent with the use of such terms by the Agency for
18 Workforce Innovation for the purpose of unemployment
19 compensation tax, created or retained as a direct result of
20 ~~resulting directly from~~ a project in this state. This number
21 does not include temporary construction jobs involved with the
22 construction of facilities for the project.

23 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
24 DETERMINATION.--

25 (b) Applications for certification based on the
26 consolidation of a Department of Defense contract or a new
27 Department of Defense contract must be submitted to the office
28 as prescribed by the office and must include, but are not
29 limited to, the following information:

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- 1 1. The applicant's federal employer identification
2 number, the applicant's Florida sales tax registration number,
3 and a notarized signature of an officer of the applicant.
- 4 2. The permanent location of the manufacturing,
5 assembling, fabricating, research, development, or design
6 facility in this state at which the project is or is to be
7 located.
- 8 3. The Department of Defense contract numbers of the
9 contract to be consolidated, the new Department of Defense
10 contract number, or the "RFP" number of a proposed Department
11 of Defense contract.
- 12 4. The date the contract was executed or is expected
13 to be executed, and the date the contract is due to expire or
14 is expected to expire.
- 15 5. The commencement date for project operations under
16 the contract in this state.
- 17 6. The number of net new full-time equivalent Florida
18 jobs included in the project as of December 31 of each year
19 and the average wage of such jobs.
- 20 7. The number of full-time equivalent Florida jobs to
21 be retained by the project.
- 22 ~~8.7.~~ The total number of full-time equivalent
23 employees employed by the applicant in this state.
- 24 ~~9.8.~~ The percentage of the applicant's gross receipts
25 derived from Department of Defense contracts during the 5
26 taxable years immediately preceding the date the application
27 is submitted.
- 28 ~~10.9.~~ The amount of:
- 29 a. Taxes on sales, use, and other transactions paid
30 pursuant to chapter 212;
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1 b. Corporate income taxes paid pursuant to chapter
2 220;
3 c. Intangible personal property taxes paid pursuant to
4 chapter 199;
5 d. Emergency excise taxes paid pursuant to chapter
6 221;
7 e. Excise taxes paid on documents pursuant to chapter
8 201; and
9 f. Ad valorem taxes paid
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11 during the 5 fiscal years immediately preceding the date of
12 the application, and the projected amounts of such taxes to be
13 due in the 3 fiscal years immediately following the date of
14 the application.
15 ~~11.10.~~ The estimated amount of tax refunds to be
16 claimed for each fiscal year.
17 ~~12.11.~~ A brief statement concerning the applicant's
18 need for tax refunds, and the proposed uses of such refunds by
19 the applicant.
20 ~~13.12.~~ A resolution adopted by the county
21 commissioners of the county in which the project will be
22 located, which recommends the applicant be approved as a
23 qualified applicant, and which indicates that the necessary
24 commitments of local financial support for the applicant
25 exist. Prior to the adoption of the resolution, the county
26 commission may review the proposed public or private sources
27 of such support and determine whether the proposed sources of
28 local financial support can be provided or, for any applicant
29 whose project is located in a county designated by the Rural
30 Economic Development Initiative, a resolution adopted by the
31 county commissioners of such county requesting that the

1 applicant's project be exempt from the local financial support
2 requirement.

3 ~~14.13.~~ Any additional information requested by the
4 office.

5 (c) Applications for certification based on the
6 conversion of defense production jobs to nondefense production
7 jobs must be submitted to the office as prescribed by the
8 office and must include, but are not limited to, the following
9 information:

10 1. The applicant's federal employer identification
11 number, the applicant's Florida sales tax registration number,
12 and a notarized signature of an officer of the applicant.

13 2. The permanent location of the manufacturing,
14 assembling, fabricating, research, development, or design
15 facility in this state at which the project is or is to be
16 located.

17 3. The Department of Defense contract numbers of the
18 contract under which the defense production jobs will be
19 converted to nondefense production jobs.

20 4. The date the contract was executed, and the date
21 the contract is due to expire or is expected to expire, or was
22 canceled.

23 5. The commencement date for the nondefense production
24 operations in this state.

25 6. The number of net new full-time equivalent Florida
26 jobs included in the nondefense production project as of
27 December 31 of each year and the average wage of such jobs.

28 7. The number of full-time equivalent Florida jobs to
29 be retained by the project.

30 ~~8.7.~~ The total number of full-time equivalent
31 employees employed by the applicant in this state.

1 ~~9.8.~~ The percentage of the applicant's gross receipts
2 derived from Department of Defense contracts during the 5
3 taxable years immediately preceding the date the application
4 is submitted.

5 ~~10.9.~~ The amount of:

6 a. Taxes on sales, use, and other transactions paid
7 pursuant to chapter 212;

8 b. Corporate income taxes paid pursuant to chapter
9 220;

10 c. Intangible personal property taxes paid pursuant to
11 chapter 199;

12 d. Emergency excise taxes paid pursuant to chapter
13 221;

14 e. Excise taxes paid on documents pursuant to chapter
15 201; and

16 f. Ad valorem taxes paid

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18 during the 5 fiscal years immediately preceding the date of
19 the application, and the projected amounts of such taxes to be
20 due in the 3 fiscal years immediately following the date of
21 the application.

22 ~~11.10.~~ The estimated amount of tax refunds to be
23 claimed for each fiscal year.

24 ~~12.11.~~ A brief statement concerning the applicant's
25 need for tax refunds, and the proposed uses of such refunds by
26 the applicant.

27 ~~13.12.~~ A resolution adopted by the county
28 commissioners of the county in which the project will be
29 located, which recommends the applicant be approved as a
30 qualified applicant, and which indicates that the necessary
31 commitments of local financial support for the applicant

1 exist. Prior to the adoption of the resolution, the county
2 commission may review the proposed public or private sources
3 of such support and determine whether the proposed sources of
4 local financial support can be provided or, for any applicant
5 whose project is located in a county designated by the Rural
6 Economic Development Initiative, a resolution adopted by the
7 county commissioners of such county requesting that the
8 applicant's project be exempt from the local financial support
9 requirement.

10 ~~14.13.~~ Any additional information requested by the
11 office.

12 (d) Applications for certification based on a contract
13 for reuse of a defense-related facility must be submitted to
14 the office as prescribed by the office and must include, but
15 are not limited to, the following information:

16 1. The applicant's Florida sales tax registration
17 number and a notarized signature of an officer of the
18 applicant.

19 2. The permanent location of the manufacturing,
20 assembling, fabricating, research, development, or design
21 facility in this state at which the project is or is to be
22 located.

23 3. The business entity holding a valid Department of
24 Defense contract or branch of the Armed Forces of the United
25 States that previously occupied the facility, and the date
26 such entity last occupied the facility.

27 4. A copy of the contract to reuse the facility, or
28 such alternative proof as may be prescribed by the office that
29 the applicant is seeking to contract for the reuse of such
30 facility.

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1 5. The date the contract to reuse the facility was
2 executed or is expected to be executed, and the date the
3 contract is due to expire or is expected to expire.

4 6. The commencement date for project operations under
5 the contract in this state.

6 7. The number of net new full-time equivalent Florida
7 jobs included in the project as of December 31 of each year
8 and the average wage of such jobs.

9 8. The number of full-time equivalent Florida jobs to
10 be retained by the project.

11 ~~9.8.~~ The total number of full-time equivalent
12 employees employed by the applicant in this state.

13 ~~10.9.~~ The amount of:

14 a. Taxes on sales, use, and other transactions paid
15 pursuant to chapter 212.

16 b. Corporate income taxes paid pursuant to chapter
17 220.

18 c. Intangible personal property taxes paid pursuant to
19 chapter 199.

20 d. Emergency excise taxes paid pursuant to chapter
21 221.

22 e. Excise taxes paid on documents pursuant to chapter
23 201.

24 f. Ad valorem taxes paid during the 5 fiscal years
25 immediately preceding the date of the application, and the
26 projected amounts of such taxes to be due in the 3 fiscal
27 years immediately following the date of the application.

28 ~~11.10.~~ The estimated amount of tax refunds to be
29 claimed for each fiscal year.

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1 ~~12.11.~~ A brief statement concerning the applicant's
2 need for tax refunds, and the proposed uses of such refunds by
3 the applicant.

4 ~~13.12.~~ A resolution adopted by the county
5 commissioners of the county in which the project will be
6 located, which recommends the applicant be approved as a
7 qualified applicant, and which indicates that the necessary
8 commitments of local financial support for the applicant
9 exist. Prior to the adoption of the resolution, the county
10 commission may review the proposed public or private sources
11 of such support and determine whether the proposed sources of
12 local financial support can be provided or, for any applicant
13 whose project is located in a county designated by the Rural
14 Economic Development Initiative, a resolution adopted by the
15 county commissioners of such county requesting that the
16 applicant's project be exempt from the local financial support
17 requirement.

18 ~~14.13.~~ Any additional information requested by the
19 office.

20 (7) EXPIRATION.--An applicant may not be certified as
21 qualified under this section after June 30, ~~2009~~ 2004. A tax
22 refund agreement existing on that date, however, shall
23 continue in effect in accordance with its terms.

24 Section 3. Subsection (7) of section 288.106, Florida
25 Statutes, is amended to read:

26 288.106 Tax refund program for qualified target
27 industry businesses.--

28 (7) EXPIRATION.--An applicant may not be certified as
29 qualified under this section after June 30, 2009. A tax refund
30 agreement existing on that date, however, shall continue in
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1 ~~effect in accordance with its terms. This section expires June~~
2 ~~30, 2004.~~

3 Section 4. The Office of Tourism, Trade, and Economic
4 Development shall attempt to amend existing tax refund
5 agreements created under section 288.106, Florida Statutes, to
6 require tax refund claims to be submitted by January 31 for
7 the net new full-time equivalent Florida jobs as of December
8 31 of the preceding calendar year.

9 Section 5. This act shall take effect upon becoming a
10 law.

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