

By Senator Margolis

35-114-04

1 A bill to be entitled
2 An act relating to the corporate income tax;
3 creating s. 220.192, F.S.; providing a credit
4 against the tax for contributions to nonprofit
5 cultural organizations; providing legislative
6 purpose; defining terms; providing limitations
7 on individual credits; providing for
8 administration by the Department of Revenue and
9 the Division of Cultural Affairs of the
10 Department of State; requiring the department
11 and the division to adopt rules; providing an
12 effective date.

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

16 Section 1. Section 220.192, Florida Statutes, is
17 created to read:

18 220.192 Credits for contributions to nonprofit
19 cultural organizations.--

20 (1) PURPOSE.--The purpose of this section is to
21 encourage private, voluntary contributions to organizations
22 that promote cultural activities, either by encouraging the
23 talents of creative individuals or by helping to provide an
24 audience for cultural activities.

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

26 (a) "Cultural" means the disciplines of dance, music,
27 theater, visual arts, literature, media arts,
28 interdisciplinary and multidisciplinary, and programs of
29 museums.

30 (b) "Department" means the Department of Revenue.

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1 (c) "Eligible contribution" means a monetary
2 contribution from a taxpayer, subject to the restrictions
3 provided in this section, to an eligible cultural
4 organization.

5 (d) "Eligible cultural organization" means a nonprofit
6 cultural organization that is exempt from federal income tax
7 under s. 501(c)(3) of the Internal Revenue Code and that is
8 engaged in cultural activities.

9 (3) AUTHORIZATION TO GRANT CULTURAL ORGANIZATIONS TAX
10 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS.--

11 (a) There is allowed a credit of 50 percent of the
12 amount of an eligible contribution, which contribution is in
13 the amount of \$60,000 or more, against any tax due for a
14 taxable year under this chapter. However, such a credit is
15 inapplicable to a particular corporation after the aggregate
16 amount of the contributions to such organizations given by the
17 corporation in any one taxable year exceeds \$600,000.

18 (b) A taxpayer who files a Florida consolidated return
19 as a member of an affiliated group pursuant to s. 220.131(1)
20 may be allowed the credit on a consolidated return basis;
21 however, the total credit taken by the affiliated group is
22 subject to the limitation established under paragraph (a).

23 (4) ADMINISTRATION; RULES.--

24 (a) If the credit granted under this section is not
25 fully used in any one year, the unused amount may not be
26 carried forward. A taxpayer may not convey, assign, or
27 transfer the credit authorized by this section to another
28 entity unless all of the assets of the taxpayer are conveyed,
29 assigned, or transferred in the same transaction.

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1 (b) An application for a tax credit pursuant to this
2 section shall be submitted to the department on forms
3 established by rule of the department.

4 (c) The department and the Division of Cultural
5 Affairs of the Department of State shall develop a cooperative
6 agreement to assist in the administration of this section.

7 (d) The department shall adopt rules necessary to
8 administer this section, including rules establishing
9 application forms and procedures.

10 (e) The division shall adopt rules necessary to
11 determine the eligibility of nonprofit cultural organizations.

12 Section 2. This act shall take effect July 1, 2004.

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15 SENATE SUMMARY

16 Provides a credit against the corporate income tax in the
17 amount of 50 percent of contributions in the amount of
18 \$60,000 or more, but not exceeding \$600,000 per
19 corporation, per year, to nonprofit cultural
20 organizations. Provides legislative purpose. Defines
21 terms. Provides for administration and rulemaking.
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