

CHAMBER ACTION

1 The Commerce Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the community contribution tax credit
7 program; amending s. 212.08, F.S.; increasing the amount
8 of available annual community contribution tax credits;
9 requiring the Office of Tourism, Trade, and Economic
10 Development to reserve portions of certain annual tax
11 credits for donations made to eligible sponsors for
12 projects that provide homeownership opportunities for
13 certain households; providing requirements, criteria, and
14 limitations; extending an expiration date; amending s.
15 220.03, F.S.; revising a definition to delete a provision
16 authorizing the office to reserve certain portions of
17 available annual tax credits for donations made to
18 eligible sponsors for projects that provide homeownership
19 opportunities for certain households; extending an
20 expiration date; amending s. 220.183, F.S.; increasing the
21 amount of available annual community contribution tax
22 credits; revising eligibility criteria; requiring the
23 Office of Tourism, Trade, and Economic Development to

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24 | reserve portions of certain annual tax credits for
 25 | donations made to eligible sponsors for projects that
 26 | provide homeownership opportunities for certain
 27 | households; providing requirements, criteria, and
 28 | limitations; extending an expiration date; amending s.
 29 | 624.5105, F.S.; increasing the amount of available annual
 30 | community contribution tax credits; limiting application
 31 | of certain retaliatory tax provisions under certain
 32 | circumstances; revising tax credit eligibility criteria;
 33 | requiring the Office of Tourism, Trade, and Economic
 34 | Development to reserve portions of certain annual tax
 35 | credits for donations made to eligible sponsors for
 36 | projects that provide homeownership opportunities for
 37 | certain households; providing requirements, criteria, and
 38 | limitations; extending an expiration date; providing an
 39 | effective date.

40

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

42

43 | Section 1. Paragraph (q) of subsection (5) of section
 44 | 212.08, Florida Statutes, is amended to read:

45 | 212.08 Sales, rental, use, consumption, distribution, and
 46 | storage tax; specified exemptions.--The sale at retail, the
 47 | rental, the use, the consumption, the distribution, and the
 48 | storage to be used or consumed in this state of the following
 49 | are hereby specifically exempt from the tax imposed by this
 50 | chapter.

51 | (5) EXEMPTIONS; ACCOUNT OF USE.--

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52 (q) Community contribution tax credit for donations.--
 53 1. Authorization.--Beginning July 1, 2001, persons who are
 54 registered with the department under s. 212.18 to collect or
 55 remit sales or use tax and who make donations to eligible
 56 sponsors are eligible for tax credits against their state sales
 57 and use tax liabilities as provided in this paragraph:
 58 a. The credit shall be computed as 50 percent of the
 59 person's approved annual community contribution;
 60 b. The credit shall be granted as a refund against state
 61 sales and use taxes reported on returns and remitted in the 12
 62 months preceding the date of application to the department for
 63 the credit as required in sub-subparagraph 3.c. If the annual
 64 credit is not fully used through such refund because of
 65 insufficient tax payments during the applicable 12-month period,
 66 the unused amount may be included in an application for a refund
 67 made pursuant to sub-subparagraph 3.c. in subsequent years
 68 against the total tax payments made for such year. Carryover
 69 credits may be applied for a 3-year period without regard to any
 70 time limitation that would otherwise apply under s. 215.26;
 71 c. A ~~No~~ person may not ~~shall~~ receive more than \$200,000 in
 72 annual tax credits for all approved community contributions made
 73 in any one year;
 74 d. All proposals for the granting of the tax credit ~~shall~~
 75 require the prior approval of the Office of Tourism, Trade, and
 76 Economic Development;
 77 e. The total amount of tax credits which may be granted
 78 for all programs approved under this paragraph, s. 220.183, and
 79 s. 624.5105 is \$12 ~~\$10~~ million annually; and

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80 f. A person who is eligible to receive the credit provided
81 for in this paragraph, s. 220.183, or s. 624.5105 may receive
82 the credit only under the one section of the person's choice.

83 2. Eligibility requirements.--

84 a. A community contribution by a person must be in the
85 following form:

86 (I) Cash or other liquid assets;

87 (II) Real property;

88 (III) Goods or inventory; or

89 (IV) Other physical resources as identified by the Office
90 of Tourism, Trade, and Economic Development.

91 b. All community contributions must be reserved
92 exclusively for use in a project. As used in this sub-
93 subparagraph, the term "project" means any activity undertaken
94 by an eligible sponsor which is designed to construct, improve,
95 or substantially rehabilitate housing that is affordable to low-
96 income or very-low-income households as defined in s.
97 420.9071(19) and (28); designed to provide commercial,
98 industrial, or public resources and facilities; or designed to
99 improve entrepreneurial and job-development opportunities for
100 low-income persons. A project may be the investment necessary to
101 increase access to high-speed broadband capability in rural
102 communities with enterprise zones, including projects that
103 result in improvements to communications assets that are owned
104 by a business. A project may include the provision of museum
105 educational programs and materials that are directly related to
106 any project approved between January 1, 1996, and December 31,
107 1999, and located in an enterprise zone as referenced in s.

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108 290.00675. This paragraph does not preclude projects that
 109 propose to construct or rehabilitate housing for low-income or
 110 very-low-income households on scattered sites. ~~The Office of~~
 111 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
 112 ~~percent of the available annual tax credits for housing for~~
 113 ~~very-low-income households pursuant to s. 420.9071(28) for the~~
 114 ~~first 6 months of the fiscal year.~~ With respect to housing,
 115 contributions may be used to pay the following eligible low-
 116 income and very-low-income housing-related activities:

117 (I) Project development impact and management fees for
 118 low-income or very-low-income housing projects;

119 (II) Down payment and closing costs for eligible persons,
 120 as defined in s. 420.9071(19) and (28);

121 (III) Administrative costs, including housing counseling
 122 and marketing fees, not to exceed 10 percent of the community
 123 contribution, directly related to low-income or very-low-income
 124 projects; and

125 (IV) Removal of liens recorded against residential
 126 property by municipal, county, or special district local
 127 governments when satisfaction of the lien is a necessary
 128 precedent to the transfer of the property to an eligible person,
 129 as defined in s. 420.9071(19) and (28), for the purpose of
 130 promoting home ownership. Contributions for lien removal must be
 131 received from a nonrelated third party.

132 c. The project must be undertaken by an "eligible
 133 sponsor," which includes:

134 (I) A community action program;

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- 135 (II) A nonprofit community-based development organization
- 136 whose mission is the provision of housing for low-income or
- 137 very-low-income households or increasing entrepreneurial and
- 138 job-development opportunities for low-income persons;
- 139 (III) A neighborhood housing services corporation;
- 140 (IV) A local housing authority created under chapter 421;
- 141 (V) A community redevelopment agency created under s.
- 142 163.356;
- 143 (VI) The Florida Industrial Development Corporation;
- 144 (VII) A historic preservation district agency or
- 145 organization;
- 146 (VIII) A regional workforce board;
- 147 (IX) A direct-support organization as provided in s.
- 148 1009.983;
- 149 (X) An enterprise zone development agency created under s.
- 150 290.0056;
- 151 (XI) A community-based organization incorporated under
- 152 chapter 617 which is recognized as educational, charitable, or
- 153 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
- 154 and whose bylaws and articles of incorporation include
- 155 affordable housing, economic development, or community
- 156 development as the primary mission of the corporation;
- 157 (XII) Units of local government;
- 158 (XIII) Units of state government; or
- 159 (XIV) Any other agency that the Office of Tourism, Trade,
- 160 and Economic Development designates by rule.
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162 In no event may a contributing person have a financial interest
163 in the eligible sponsor.

164 d. The project must be located in an area designated an
165 enterprise zone or a Front Porch Florida Community pursuant to
166 s. 20.18(6), unless the project increases access to high-speed
167 broadband capability for rural communities with enterprise zones
168 but is physically located outside the designated rural zone
169 boundaries. Any project designed to construct or rehabilitate
170 housing for low-income or very-low-income households as defined
171 in s. 420.0971(19) and (28) is exempt from the area requirement
172 of this sub-subparagraph.

173 e.(I) For the first 6 months of the fiscal year, the
174 Office of Tourism, Trade, and Economic Development shall reserve
175 80 percent of the first \$10 million in available annual tax
176 credits, and 70 percent of any available annual tax credits in
177 excess of \$10 million, for donations made to eligible sponsors
178 for projects that provide homeownership opportunities for low-
179 income or very-low-income households as defined in s.
180 420.9071(19) and (28). If any such reserved annual tax credits
181 remain after the first 6 months of the fiscal year, the office
182 may approve the balance of such available credits for donations
183 made to eligible sponsors for projects other than those that
184 provide homeownership opportunities for low-income or very-low-
185 income households.

186 (II) For the first 6 months of the fiscal year, the office
187 shall reserve 20 percent of the first \$10 million in available
188 annual tax credits, and 30 percent of any available annual tax
189 credits in excess of \$10 million, for donations made to eligible

190 sponsors for projects other than those that provide
 191 homeownership opportunities for low-income or very-low-income
 192 households as defined in s. 420.9071(19) and (28). If any such
 193 reserved annual tax credits remain after the first 6 months of
 194 the fiscal year, the office may approve the balance of such
 195 available credits for donations made to eligible sponsors for
 196 projects that provide homeownership opportunities for low-income
 197 or very-low-income households.

198 (III) If, during the first 10 business days of the state
 199 fiscal year, eligible tax credit applications are received for
 200 less than the available annual tax credits reserved under sub-
 201 sub-subparagraph (I), the office shall grant tax credits for
 202 such applications and shall grant remaining tax credits on a
 203 first-come, first-served basis for any subsequent eligible
 204 applications received before the end of the first 6 months of
 205 the state fiscal year. If, during the first 10 business days of
 206 the state fiscal year, eligible tax credit applications are
 207 received for more than the available annual tax credits reserved
 208 under sub-sub-subparagraph (I), the office shall grant the tax
 209 credits for such applications as follows:

210 (A) If tax credit applications submitted for approved
 211 projects of an eligible sponsor do not exceed \$200,000 in total,
 212 the credits shall be granted in full if the tax credit
 213 applications are approved, subject to the provisions of sub-sub-
 214 subparagraph (I).

215 (B) If tax credit applications submitted for approved
 216 projects of an eligible sponsor exceed \$200,000 in total, the
 217 amount of tax credits granted pursuant to sub-sub-sub-

218 subparagraph (A) shall be subtracted from the amount of
 219 available tax credits pursuant to sub-sub-subparagraph (I), and
 220 the remaining credits shall be granted to each approved tax
 221 credit application on a pro rata basis.

222 (C) If, after the first 6 months of the fiscal year,
 223 additional credits become available pursuant to sub-sub-
 224 subparagraph (II), the office shall grant the tax credits by
 225 first granting to those who received a pro rata reduction up to
 226 the full amount of their request and, if there are remaining
 227 credits, granting credits to those who applied on or after the
 228 11th business day of the state fiscal year on a first-come,
 229 first-served basis.

230 (IV) If, during the first 10 business days of the state
 231 fiscal year, eligible tax credit applications are received for
 232 less than the available annual tax credits reserved under sub-
 233 sub-subparagraph (II), the office shall grant tax credits for
 234 such applications and shall grant remaining tax credits on a
 235 first-come, first-served basis for any subsequent eligible
 236 applications received before the end of the first 6 months of
 237 the state fiscal year. If, during the first 10 business days of
 238 the state fiscal year, eligible tax credit applications are
 239 received for more than the available annual tax credits reserved
 240 under sub-sub-subparagraph (II), the office shall grant the tax
 241 credits for such applications on a pro rata basis. If, after the
 242 first 6 months of the fiscal year, additional credits become
 243 available pursuant to sub-sub-subparagraph (I), the office shall
 244 grant the tax credits by first granting to those who received a
 245 pro rata reduction up to the full amount of their request and,

246 | if there are remaining credits, granting credits to those who
 247 | applied on or after the 11th business day of the state fiscal
 248 | year on a first-come, first-served basis.

249 | 3. Application requirements.--

250 | a. Any eligible sponsor seeking to participate in this
 251 | program must submit a proposal to the Office of Tourism, Trade,
 252 | and Economic Development which sets forth the name of the
 253 | sponsor, a description of the project, and the area in which the
 254 | project is located, together with such supporting information as
 255 | is prescribed by rule. The proposal must also contain a
 256 | resolution from the local governmental unit in which the project
 257 | is located certifying that the project is consistent with local
 258 | plans and regulations.

259 | b. Any person seeking to participate in this program must
 260 | submit an application for tax credit to the Office of Tourism,
 261 | Trade, and Economic Development which sets forth the name of the
 262 | sponsor, a description of the project, and the type, value, and
 263 | purpose of the contribution. The sponsor shall verify the terms
 264 | of the application and indicate its receipt of the contribution,
 265 | which verification must be in writing and accompany the
 266 | application for tax credit. The person must submit a separate
 267 | tax credit application to the office for each individual
 268 | contribution that it makes to each individual project.

269 | c. Any person who has received notification from the
 270 | Office of Tourism, Trade, and Economic Development that a tax
 271 | credit has been approved must apply to the department to receive
 272 | the refund. Application must be made on the form prescribed for
 273 | claiming refunds of sales and use taxes and be accompanied by a

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274 | copy of the notification. A person may submit only one
275 | application for refund to the department within any 12-month
276 | period.

277 | 4. Administration.--

278 | a. The Office of Tourism, Trade, and Economic Development
279 | may adopt rules pursuant to ss. 120.536(1) and 120.54 necessary
280 | to administer this paragraph, including rules for the approval
281 | or disapproval of proposals by a person.

282 | b. The decision of the Office of Tourism, Trade, and
283 | Economic Development must be in writing, and, if approved, the
284 | notification shall state the maximum credit allowable to the
285 | person. Upon approval, the office shall transmit a copy of the
286 | decision to the Department of Revenue.

287 | c. The Office of Tourism, Trade, and Economic Development
288 | shall periodically monitor all projects in a manner consistent
289 | with available resources to ensure that resources are used in
290 | accordance with this paragraph; however, each project must be
291 | reviewed at least once every 2 years.

292 | d. The Office of Tourism, Trade, and Economic Development
293 | shall, in consultation with the Department of Community Affairs,
294 | the Florida Housing Finance Corporation, and the statewide and
295 | regional housing and financial intermediaries, market the
296 | availability of the community contribution tax credit program to
297 | community-based organizations.

298 | 5. Expiration.--This paragraph expires June 30, 2015 ~~2005~~;
299 | however, any accrued credit carryover that is unused on that
300 | date may be used until the expiration of the 3-year carryover
301 | period for such credit.

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302 Section 2. Paragraph (t) of subsection (1) of section
303 220.03, Florida Statutes, is amended to read:

304 220.03 Definitions.--

305 (1) SPECIFIC TERMS.--When used in this code, and when not
306 otherwise distinctly expressed or manifestly incompatible with
307 the intent thereof, the following terms shall have the following
308 meanings:

309 (t) "Project" means any activity undertaken by an eligible
310 sponsor, as defined in s. 220.183(2)(c), which is designed to
311 construct, improve, or substantially rehabilitate housing that
312 is affordable to low-income or very-low-income households as
313 defined in s. 420.9071(19) and (28); designed to provide
314 commercial, industrial, or public resources and facilities; or
315 designed to improve entrepreneurial and job-development
316 opportunities for low-income persons. A project may be the
317 investment necessary to increase access to high-speed broadband
318 capability in rural communities with enterprise zones, including
319 projects that result in improvements to communications assets
320 that are owned by a business. A project may include the
321 provision of museum educational programs and materials that are
322 directly related to any project approved between January 1,
323 1996, and December 31, 1999, and located in an enterprise zone
324 as referenced in s. 290.00675. This paragraph does not preclude
325 projects that propose to construct or rehabilitate low-income or
326 very-low-income housing on scattered sites. ~~The Office of
327 Tourism, Trade, and Economic Development may reserve up to 50
328 percent of the available annual tax credits under s. 220.181 for
329 housing for very low income households pursuant to s.~~

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330 | ~~420.9071(28) for the first 6 months of the fiscal year.~~ With
 331 | respect to housing, contributions may be used to pay the
 332 | following eligible project-related activities:

333 | 1. Project development, impact, and management fees for
 334 | low-income or very-low-income housing projects;

335 | 2. Down payment and closing costs for eligible persons, as
 336 | defined in s. 420.9071(19) and (28);

337 | 3. Administrative costs, including housing counseling and
 338 | marketing fees, not to exceed 10 percent of the community
 339 | contribution, directly related to low-income or very-low-income
 340 | projects; and

341 | 4. Removal of liens recorded against residential property
 342 | by municipal, county, or special-district local governments when
 343 | satisfaction of the lien is a necessary precedent to the
 344 | transfer of the property to an eligible person, as defined in s.
 345 | 420.9071(19) and (28), for the purpose of promoting home
 346 | ownership. Contributions for lien removal must be received from
 347 | a nonrelated third party.

348 |
 349 | The provisions of this paragraph shall expire and be void on
 350 | June 30, 2015 ~~2005~~.

351 | Section 3. Paragraph (c) of subsection (1), paragraph (b)
 352 | of subsection (2), and subsection (5) of section 220.183,
 353 | Florida Statutes, are amended to read:

354 | 220.183 Community contribution tax credit.--

355 | (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
 356 | CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
 357 | SPENDING.--

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358 (c) The total amount of tax credit which may be granted
 359 for all programs approved under this section, s. 212.08(5)(q),
 360 and s. 624.5105 is \$12 ~~\$10~~ million annually.

361 (2) ELIGIBILITY REQUIREMENTS.--

362 (b)1. All community contributions must be reserved
 363 exclusively for use in projects as defined in s. 220.03(1)(t).

364 2. For the first 6 months of the fiscal year, the Office
 365 of Tourism, Trade, and Economic Development shall ~~may~~ reserve 80
 366 up to 50 percent of the first \$10 million in available annual
 367 tax credits, and 70 percent of any available annual tax credits
 368 in excess of \$10 million, ~~for housing~~ for donations made to
 369 eligible sponsors for projects that provide homeownership
 370 opportunities for low-income or very-low-income households as
 371 defined in ~~pursuant to~~ s. 420.9071(19) and (28) for the first 6
 372 months of the fiscal year. If any such reserved annual tax
 373 credits remain after the first 6 months of the fiscal year, the
 374 office may approve the balance of such available credits for
 375 donations made to eligible sponsors for projects other than
 376 those that provide homeownership opportunities for low-income or
 377 very-low-income households.

378 3. For the first 6 months of the fiscal year, the office
 379 shall reserve 20 percent of the first \$10 million in available
 380 annual tax credits, and 30 percent of any available annual tax
 381 credits in excess of \$10 million, for donations made to eligible
 382 sponsors for projects other than those that provide
 383 homeownership opportunities for low-income or very-low-income
 384 households as defined in s. 420.9071(19) and (28). If any such
 385 reserved annual tax credits remain after the first 6 months of

386 the fiscal year, the office may approve the balance of such
387 available credits for donations made to eligible sponsors for
388 projects that provide homeownership opportunities for low-income
389 or very-low-income households.

390 4. If, during the first 10 business days of the state
391 fiscal year, eligible tax credit applications are received for
392 less than the available annual tax credits reserved under
393 subparagraph 2., the office shall grant tax credits for such
394 applications and shall grant remaining tax credits on a first-
395 come, first-served basis for any subsequent eligible
396 applications received before the end of the first 6 months of
397 the state fiscal year. If, during the first 10 business days of
398 the state fiscal year, eligible tax credit applications are
399 received for more than the available annual tax credits reserved
400 under subparagraph 2., the office shall grant the tax credits
401 for such applications as follows:

402 a. If tax credit applications submitted for approved
403 projects of an eligible sponsor do not exceed \$200,000 in total,
404 the credits shall be granted in full if the tax credit
405 applications are approved, subject to the provisions of
406 subparagraph 2.

407 b. If tax credit applications submitted for approved
408 projects of an eligible sponsor exceed \$200,000 in total, the
409 amount of tax credits granted pursuant to sub-subparagraph a.
410 shall be subtracted from the amount of available tax credits
411 pursuant to subparagraph 2., and the remaining credits shall be
412 granted to each approved tax credit application on a pro rata
413 basis.

414 c. If, after the first 6 months of the fiscal year,
415 additional credits become available pursuant to subparagraph 3.,
416 the office shall grant the tax credits by first granting to
417 those who received a pro rata reduction up to the full amount of
418 their request and, if there are remaining credits, granting
419 credits to those who applied on or after the 11th business day
420 of the state fiscal year on a first-come, first-served basis.

421 5. If, during the first 10 business days of the state
422 fiscal year, eligible tax credit applications are received for
423 less than the available annual tax credits reserved under
424 subparagraph 3., the office shall grant tax credits for such
425 applications and shall grant remaining tax credits on a first-
426 come, first-served basis for any subsequent eligible
427 applications received before the end of the first 6 months of
428 the state fiscal year. If, during the first 10 business days of
429 the state fiscal year, eligible tax credit applications are
430 received for more than the available annual tax credits reserved
431 under subparagraph 3., the office shall grant the tax credits
432 for such applications on a pro rata basis. If, after the first 6
433 months of the fiscal year, additional credits become available
434 pursuant to subparagraph 2., the office shall grant the tax
435 credits by first granting to those who received a pro rata
436 reduction up to the full amount of their request and, if there
437 are remaining credits, granting credits to those who applied on
438 or after the 11th business day of the state fiscal year on a
439 first-come, first-served basis.

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440 (5) EXPIRATION.--The provisions of this section, except
441 paragraph (1)(e), shall expire and be void on June 30, 2015
442 ~~2005~~.

443 Section 4. Paragraph (c) of subsection (1) and subsection
444 (6) of section 624.5105, Florida Statutes, are amended,
445 paragraph (f) is added to subsection (1), and paragraph (e) is
446 added to subsection (2) of said section, to read:

447 624.5105 Community contribution tax credit; authorization;
448 limitations; eligibility and application requirements;
449 administration; definitions; expiration.--

450 (1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.--

451 (c) The total amount of tax credit which may be granted
452 for all programs approved under this section and ss.
453 212.08(5)(q) and s. 220.183 is \$12 ~~\$10~~ million annually.

454 (f) An insurer that claims a credit against premium tax
455 liability earned by making a community contribution under this
456 section need not pay any additional retaliatory tax levied under
457 s. 624.5091 as a result of claiming such a credit. Section
458 624.5091 does not limit such a credit in any manner.

459 (2) ELIGIBILITY REQUIREMENTS.--

460 (e)1. For the first 6 months of the fiscal year, the
461 Office of Tourism, Trade, and Economic Development shall reserve
462 80 percent of the first \$10 million in available annual tax
463 credits, and 70 percent of any available annual tax credits in
464 excess of \$10 million, for donations made to eligible sponsors
465 for projects that provide homeownership opportunities for low-
466 income or very-low-income households as defined in s.
467 420.9071(19) and (28). If any such reserved annual tax credits

468 remain after the first 6 months of the fiscal year, the office
469 may approve the balance of such available credits for donations
470 made to eligible sponsors for projects other than those that
471 provide homeownership opportunities for low-income or very-low-
472 income households.

473 2. For the first 6 months of the fiscal year, the office
474 shall reserve 20 percent of the first \$10 million in available
475 annual tax credits, and 30 percent of any available annual tax
476 credits in excess of \$10 million, for donations made to eligible
477 sponsors for projects other than those that provide
478 homeownership opportunities for low-income or very-low-income
479 households as defined in s. 420.9071(19) and (28). If any such
480 reserved annual tax credits remain after the first 6 months of
481 the fiscal year, the office may approve the balance of such
482 available credits for donations made to eligible sponsors for
483 projects that provide homeownership opportunities for low-income
484 or very-low-income households.

485 3. If, during the first 10 business days of the state
486 fiscal year, eligible tax credit applications are received for
487 less than the available annual tax credits reserved under
488 subparagraph 1., the office shall grant tax credits for such
489 applications and shall grant remaining tax credits on a first-
490 come, first-served basis for any subsequent eligible
491 applications received before the end of the first 6 months of
492 the state fiscal year. If, during the first 10 business days of
493 the state fiscal year, eligible tax credit applications are
494 received for more than the available annual tax credits reserved

495 under subparagraph 1., the office shall grant the tax credits
496 for such applications as follows:

497 a. If tax credit applications submitted for approved
498 projects of an eligible sponsor do not exceed \$200,000 in total,
499 the credits shall be granted in full if the tax credit
500 applications are approved, subject to the provisions of
501 subparagraph 1.

502 b. If tax credit applications submitted for approved
503 projects of an eligible sponsor exceed \$200,000 in total, the
504 amount of tax credits granted pursuant to sub-subparagraph a.
505 shall be subtracted from the amount of available tax credits
506 pursuant to subparagraph 1., and the remaining credits shall be
507 granted to each approved tax credit application on a pro rata
508 basis.

509 c. If, after the first 6 months of the fiscal year,
510 additional credits become available pursuant to subparagraph 2.,
511 the office shall grant the tax credits by first granting to
512 those who received a pro rata reduction up to the full amount of
513 their request and, if there are remaining credits, granting
514 credits to those who applied on or after the 11th business day
515 of the state fiscal year on a first-come, first-served basis.

516 4. If, during the first 10 business days of the state
517 fiscal year, eligible tax credit applications are received for
518 less than the available annual tax credits reserved under
519 subparagraph 2., the office shall grant tax credits for such
520 applications and shall grant remaining tax credits on a first-
521 come, first-served basis for any subsequent eligible
522 applications received before the end of the first 6 months of

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523 | the state fiscal year. If, during the first 10 business days of
 524 | the state fiscal year, eligible tax credit applications are
 525 | received for more than the available annual tax credits reserved
 526 | under subparagraph 2., the office shall grant the tax credits
 527 | for such applications on a pro rata basis. If, after the first 6
 528 | months of the fiscal year, additional credits become available
 529 | pursuant to subparagraph 1., the office shall grant the tax
 530 | credits by first granting to those who received a pro rata
 531 | reduction up to the full amount of their request and, if there
 532 | are remaining credits, granting credits to those who applied on
 533 | or after the 11th business day of the state fiscal year on a
 534 | first-come, first-served basis.

535 | (6) EXPIRATION.--The provisions of this section, except
 536 | paragraph (1)(e), shall expire and be void on June 30, 2015
 537 | ~~2005~~.

538 | Section 5. This act shall take effect July 1, 2005.