

1 A bill to be entitled

2 An act relating to the community contribution tax credit
3 program; amending s. 212.08, F.S.; increasing the amount
4 of available annual community contribution tax credits;
5 requiring the Office of Tourism, Trade, and Economic
6 Development to reserve portions of certain annual tax
7 credits for donations made to eligible sponsors for
8 projects that provide homeownership opportunities for
9 certain households; providing requirements, criteria, and
10 limitations; extending an expiration date; amending s.
11 220.03, F.S.; revising a definition to delete a provision
12 authorizing the office to reserve certain portions of
13 available annual tax credits for donations made to
14 eligible sponsors for projects that provide homeownership
15 opportunities for certain households; extending an
16 expiration date; amending s. 220.183, F.S.; increasing the
17 amount of available annual community contribution tax
18 credits; revising eligibility criteria; requiring the
19 Office of Tourism, Trade, and Economic Development to
20 reserve portions of certain annual tax credits for
21 donations made to eligible sponsors for projects that
22 provide homeownership opportunities for certain
23 households; providing requirements, criteria, and
24 limitations; extending an expiration date; amending s.
25 624.5105, F.S.; increasing the amount of available annual
26 community contribution tax credits; limiting application
27 of certain retaliatory tax provisions under certain
28 circumstances; revising tax credit eligibility criteria;

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29 | requiring the Office of Tourism, Trade, and Economic
 30 | Development to reserve portions of certain annual tax
 31 | credits for donations made to eligible sponsors for
 32 | projects that provide homeownership opportunities for
 33 | certain households; providing requirements, criteria, and
 34 | limitations; extending an expiration date; providing an
 35 | effective date.

36 |

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

38 |

39 | Section 1. Paragraph (q) of subsection (5) of section
 40 | 212.08, Florida Statutes, is amended to read:

41 | 212.08 Sales, rental, use, consumption, distribution, and
 42 | storage tax; specified exemptions.--The sale at retail, the
 43 | rental, the use, the consumption, the distribution, and the
 44 | storage to be used or consumed in this state of the following
 45 | are hereby specifically exempt from the tax imposed by this
 46 | chapter.

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

48 | (q) Community contribution tax credit for donations.--

49 | 1. Authorization.--Beginning July 1, 2001, persons who are
 50 | registered with the department under s. 212.18 to collect or
 51 | remit sales or use tax and who make donations to eligible
 52 | sponsors are eligible for tax credits against their state sales
 53 | and use tax liabilities as provided in this paragraph:

54 | a. The credit shall be computed as 50 percent of the
 55 | person's approved annual community contribution;

56 b. The credit shall be granted as a refund against state
 57 sales and use taxes reported on returns and remitted in the 12
 58 months preceding the date of application to the department for
 59 the credit as required in sub-subparagraph 3.c. If the annual
 60 credit is not fully used through such refund because of
 61 insufficient tax payments during the applicable 12-month period,
 62 the unused amount may be included in an application for a refund
 63 made pursuant to sub-subparagraph 3.c. in subsequent years
 64 against the total tax payments made for such year. Carryover
 65 credits may be applied for a 3-year period without regard to any
 66 time limitation that would otherwise apply under s. 215.26;

67 c. A ~~No~~ person may not ~~shall~~ receive more than \$200,000 in
 68 annual tax credits for all approved community contributions made
 69 in any one year;

70 d. All proposals for the granting of the tax credit ~~shall~~
 71 require the prior approval of the Office of Tourism, Trade, and
 72 Economic Development;

73 e. The total amount of tax credits which may be granted
 74 for all programs approved under this paragraph, s. 220.183, and
 75 s. 624.5105 is \$12 ~~\$10~~ million annually; and

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

79 2. Eligibility requirements.--

80 a. A community contribution by a person must be in the
 81 following form:

82 (I) Cash or other liquid assets;

83 (II) Real property;

84 (III) Goods or inventory; or

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

87 b. All community contributions must be reserved
88 exclusively for use in a project. As used in this sub-
89 subparagraph, the term "project" means any activity undertaken
90 by an eligible sponsor which is designed to construct, improve,
91 or substantially rehabilitate housing that is affordable to low-
92 income or very-low-income households as defined in s.
93 420.9071(19) and (28); designed to provide commercial,
94 industrial, or public resources and facilities; or designed to
95 improve entrepreneurial and job-development opportunities for
96 low-income persons. A project may be the investment necessary to
97 increase access to high-speed broadband capability in rural
98 communities with enterprise zones, including projects that
99 result in improvements to communications assets that are owned
100 by a business. A project may include the provision of museum
101 educational programs and materials that are directly related to
102 any project approved between January 1, 1996, and December 31,
103 1999, and located in an enterprise zone as referenced in s.
104 290.00675. This paragraph does not preclude projects that
105 propose to construct or rehabilitate housing for low-income or
106 very-low-income households on scattered sites. ~~The Office of~~
107 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
108 ~~percent of the available annual tax credits for housing for~~
109 ~~very low income households pursuant to s. 420.9071(28) for the~~
110 ~~first 6 months of the fiscal year.~~ With respect to housing,

111 contributions may be used to pay the following eligible low-
 112 income and very-low-income housing-related activities:

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

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

117 (III) Administrative costs, including housing counseling
 118 and marketing fees, not to exceed 10 percent of the community
 119 contribution, directly related to low-income or very-low-income
 120 projects; and

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

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

130 (I) A community action program;

131 (II) A nonprofit community-based development organization
 132 whose mission is the provision of housing for low-income or
 133 very-low-income households or increasing entrepreneurial and
 134 job-development opportunities for low-income persons;

135 (III) A neighborhood housing services corporation;

136 (IV) A local housing authority created under chapter 421;

137 (V) A community redevelopment agency created under s.

138 163.356;

- 139 (VI) The Florida Industrial Development Corporation;
- 140 (VII) A historic preservation district agency or
- 141 organization;
- 142 (VIII) A regional workforce board;
- 143 (IX) A direct-support organization as provided in s.
- 144 1009.983;
- 145 (X) An enterprise zone development agency created under s.
- 146 290.0056;
- 147 (XI) A community-based organization incorporated under
- 148 chapter 617 which is recognized as educational, charitable, or
- 149 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
- 150 and whose bylaws and articles of incorporation include
- 151 affordable housing, economic development, or community
- 152 development as the primary mission of the corporation;
- 153 (XII) Units of local government;
- 154 (XIII) Units of state government; or
- 155 (XIV) Any other agency that the Office of Tourism, Trade,
- 156 and Economic Development designates by rule.

157
 158 In no event may a contributing person have a financial interest
 159 in the eligible sponsor.

160 d. The project must be located in an area designated an
 161 enterprise zone or a Front Porch Florida Community pursuant to
 162 s. 20.18(6), unless the project increases access to high-speed
 163 broadband capability for rural communities with enterprise zones
 164 but is physically located outside the designated rural zone
 165 boundaries. Any project designed to construct or rehabilitate
 166 housing for low-income or very-low-income households as defined

167 in s. 420.0971(19) and (28) is exempt from the area requirement
168 of this sub-subparagraph.

169 e.(I) For the first 6 months of the fiscal year, the
170 Office of Tourism, Trade, and Economic Development shall reserve
171 80 percent of the first \$10 million in available annual tax
172 credits, and 70 percent of any available annual tax credits in
173 excess of \$10 million, for donations made to eligible sponsors
174 for projects that provide homeownership opportunities for low-
175 income or very-low-income households as defined in s.
176 420.9071(19) and (28). If any such reserved annual tax credits
177 remain after the first 6 months of the fiscal year, the office
178 may approve the balance of such available credits for donations
179 made to eligible sponsors for projects other than those that
180 provide homeownership opportunities for low-income or very-low-
181 income households.

182 (II) For the first 6 months of the fiscal year, the office
183 shall reserve 20 percent of the first \$10 million in available
184 annual tax credits, and 30 percent of any available annual tax
185 credits in excess of \$10 million, for donations made to eligible
186 sponsors for projects other than those that provide
187 homeownership opportunities for low-income or very-low-income
188 households as defined in s. 420.9071(19) and (28). If any such
189 reserved annual tax credits remain after the first 6 months of
190 the fiscal year, the office may approve the balance of such
191 available credits for donations made to eligible sponsors for
192 projects that provide homeownership opportunities for low-income
193 or very-low-income households.

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

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

211 (B) If tax credit applications submitted for approved
212 projects of an eligible sponsor exceed \$200,000 in total, the
213 amount of tax credits granted pursuant to sub-sub-sub-
214 subparagraph (A) shall be subtracted from the amount of
215 available tax credits pursuant to sub-sub-subparagraph (I), and
216 the remaining credits shall be granted to each approved tax
217 credit application on a pro rata basis.

218 (C) If, after the first 6 months of the fiscal year,
219 additional credits become available pursuant to sub-sub-
220 subparagraph (II), the office shall grant the tax credits by
221 first granting to those who received a pro rata reduction up to

222 the full amount of their request and, if there are remaining
223 credits, granting credits to those who applied on or after the
224 11th business day of the state fiscal year on a first-come,
225 first-served basis.

226 (IV) If, during the first 10 business days of the state
227 fiscal year, eligible tax credit applications are received for
228 less than the available annual tax credits reserved under sub-
229 sub-subparagraph (II), the office shall grant tax credits for
230 such applications and shall grant remaining tax credits on a
231 first-come, first-served basis for any subsequent eligible
232 applications received before the end of the first 6 months of
233 the state fiscal year. If, during the first 10 business days of
234 the state fiscal year, eligible tax credit applications are
235 received for more than the available annual tax credits reserved
236 under sub-sub-subparagraph (II), the office shall grant the tax
237 credits for such applications on a pro rata basis. If, after the
238 first 6 months of the fiscal year, additional credits become
239 available pursuant to sub-sub-subparagraph (I), the office shall
240 grant the tax credits by first granting to those who received a
241 pro rata reduction up to the full amount of their request and,
242 if there are remaining credits, granting credits to those who
243 applied on or after the 11th business day of the state fiscal
244 year on a first-come, first-served basis.

245 3. Application requirements.--

246 a. Any eligible sponsor seeking to participate in this
247 program must submit a proposal to the Office of Tourism, Trade,
248 and Economic Development which sets forth the name of the
249 sponsor, a description of the project, and the area in which the

250 project is located, together with such supporting information as
251 is prescribed by rule. The proposal must also contain a
252 resolution from the local governmental unit in which the project
253 is located certifying that the project is consistent with local
254 plans and regulations.

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

265 c. Any person who has received notification from the
266 Office of Tourism, Trade, and Economic Development that a tax
267 credit has been approved must apply to the department to receive
268 the refund. Application must be made on the form prescribed for
269 claiming refunds of sales and use taxes and be accompanied by a
270 copy of the notification. A person may submit only one
271 application for refund to the department within any 12-month
272 period.

273 4. Administration.--

274 a. The Office of Tourism, Trade, and Economic Development
275 may adopt rules pursuant to ss. 120.536(1) and 120.54 necessary
276 to administer this paragraph, including rules for the approval
277 or disapproval of proposals by a person.

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

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

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

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

298 Section 2. Paragraph (t) of subsection (1) of section
 299 220.03, Florida Statutes, is amended to read:

300 220.03 Definitions.--

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

305 (t) "Project" means any activity undertaken by an eligible
306 sponsor, as defined in s. 220.183(2)(c), which is designed to
307 construct, improve, or substantially rehabilitate housing that
308 is affordable to low-income or very-low-income households as
309 defined in s. 420.9071(19) and (28); designed to provide
310 commercial, industrial, or public resources and facilities; or
311 designed to improve entrepreneurial and job-development
312 opportunities for low-income persons. A project may be the
313 investment necessary to increase access to high-speed broadband
314 capability in rural communities with enterprise zones, including
315 projects that result in improvements to communications assets
316 that are owned by a business. A project may include the
317 provision of museum educational programs and materials that are
318 directly related to any project approved between January 1,
319 1996, and December 31, 1999, and located in an enterprise zone
320 as referenced in s. 290.00675. This paragraph does not preclude
321 projects that propose to construct or rehabilitate low-income or
322 very-low-income housing on scattered sites. ~~The Office of~~
323 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
324 ~~percent of the available annual tax credits under s. 220.181 for~~
325 ~~housing for very low income households pursuant to s.~~
326 ~~420.9071(28) for the first 6 months of the fiscal year.~~ With
327 respect to housing, contributions may be used to pay the
328 following eligible project-related activities:

- 329 1. Project development, impact, and management fees for
330 low-income or very-low-income housing projects;
- 331 2. Down payment and closing costs for eligible persons, as
332 defined in s. 420.9071(19) and (28);

333 3. Administrative costs, including housing counseling and
 334 marketing fees, not to exceed 10 percent of the community
 335 contribution, directly related to low-income or very-low-income
 336 projects; and

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

344
 345 The provisions of this paragraph shall expire and be void on
 346 June 30, 2015 ~~2005~~.

347 Section 3. Paragraph (c) of subsection (1), paragraph (b)
 348 of subsection (2), and subsection (5) of section 220.183,
 349 Florida Statutes, are amended to read:

350 220.183 Community contribution tax credit.--

351 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
 352 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
 353 SPENDING.--

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

357 (2) ELIGIBILITY REQUIREMENTS.--

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

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

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

386 4. If, during the first 10 business days of the state
387 fiscal year, eligible tax credit applications are received for

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

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

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

410 c. If, after the first 6 months of the fiscal year,
411 additional credits become available pursuant to subparagraph 3.,
412 the office shall grant the tax credits by first granting to
413 those who received a pro rata reduction up to the full amount of
414 their request and, if there are remaining credits, granting

415 credits to those who applied on or after the 11th business day
416 of the state fiscal year on a first-come, first-served basis.

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

436 (5) EXPIRATION.--The provisions of this section, except
437 paragraph (1)(e), shall expire and be void on June 30, 2015
438 2005.

439 Section 4. Paragraph (c) of subsection (1) and subsection
440 (6) of section 624.5105, Florida Statutes, are amended,
441 paragraph (f) is added to subsection (1), and paragraph (e) is
442 added to subsection (2) of said section, to read:

443 | 624.5105 Community contribution tax credit; authorization;
 444 | limitations; eligibility and application requirements;
 445 | administration; definitions; expiration.--

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

447 | (c) The total amount of tax credit which may be granted
 448 | for all programs approved under this section and ss.
 449 | 212.08(5)(q) and ~~s.~~ 220.183 is \$12 ~~\$10~~ million annually.

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

455 | (2) ELIGIBILITY REQUIREMENTS.--

456 | (e)1. For the first 6 months of the fiscal year, the
 457 | Office of Tourism, Trade, and Economic Development shall reserve
 458 | 80 percent of the first \$10 million in available annual tax
 459 | credits, and 70 percent of any available annual tax credits in
 460 | excess of \$10 million, for donations made to eligible sponsors
 461 | for projects that provide homeownership opportunities for low-
 462 | income or very-low-income households as defined in s.
 463 | 420.9071(19) and (28). If any such reserved annual tax credits
 464 | remain after the first 6 months of the fiscal year, the office
 465 | may approve the balance of such available credits for donations
 466 | made to eligible sponsors for projects other than those that
 467 | provide homeownership opportunities for low-income or very-low-
 468 | income households.

469 | 2. For the first 6 months of the fiscal year, the office
 470 | shall reserve 20 percent of the first \$10 million in available

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

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

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

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

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

512 4. If, during the first 10 business days of the state
513 fiscal year, eligible tax credit applications are received for
514 less than the available annual tax credits reserved under
515 subparagraph 2., the office shall grant tax credits for such
516 applications and shall grant remaining tax credits on a first-
517 come, first-served basis for any subsequent eligible
518 applications received before the end of the first 6 months of
519 the state fiscal year. If, during the first 10 business days of
520 the state fiscal year, eligible tax credit applications are
521 received for more than the available annual tax credits reserved
522 under subparagraph 2., the office shall grant the tax credits
523 for such applications on a pro rata basis. If, after the first 6
524 months of the fiscal year, additional credits become available
525 pursuant to subparagraph 1., the office shall grant the tax

526 credits by first granting to those who received a pro rata
527 reduction up to the full amount of their request and, if there
528 are remaining credits, granting credits to those who applied on
529 or after the 11th business day of the state fiscal year on a
530 first-come, first-served basis.

531 (6) EXPIRATION.--The provisions of this section, except
532 paragraph (1)(e), shall expire and be void on June 30, 2015
533 ~~2005~~.

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