

CHAMBER ACTION

1 The Economic Development, Trade & Banking Committee recommends  
2 the following:

3  
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to an urban revitalization tax-free zone  
8 pilot project; creating certain urban revitalization tax-  
9 free zones; providing eligibility criteria; providing for  
10 certain tax exemptions for businesses in such zones under  
11 certain circumstances; requiring businesses to apply to a  
12 local government or local community redevelopment  
13 organization for exemption certification; providing  
14 requirements for exemption; requiring the Department of  
15 Revenue to issue tax exemption permits to businesses in  
16 such zones under certain circumstances; providing an  
17 expiration date; requiring interim and final reviews of  
18 the Urban Revitalization Tax-Free Zone Pilot Project by  
19 the Office of Program Policy Analysis and Government  
20 Accountability; providing review criteria; requiring  
21 reports to the Legislature; providing for future repeal of  
22 the act; providing applicability; providing an effective  
23 date.

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

Section 1. Urban Revitalization Tax-Free Zone Pilot Project Act.--The Urban Revitalization Tax-Free Zone Pilot Project is created to provide tax exemptions to businesses located in severely blighted areas in order to foster economic development and job growth in these areas.

Section 2. Urban revitalization tax-free zones; creation; eligibility criteria.--

(1) Two urban revitalization tax-free zones are created, one located within a portion of Miami-Dade County, specifically the area bordered by Northwest 23rd Street to the north, Northwest 5th Street to the south, Northeast First Avenue to the east, and Northwest 8th Avenue to the west, and one located within a portion of Duval County, specifically the area bordered by A. Phillip Randolph Boulevard to the west, Tallyrand Road to the east, Ninth Street to the north, and Union Street to the south.

(2)(a) A business, as defined in s. 212.02(2), Florida Statutes, located within a tax-free zone is exempt from the excise tax on documents imposed pursuant to chapter 201, Florida Statutes, and the sales and use tax imposed pursuant to chapter 212, Florida Statutes, if the business meets the eligibility criteria of this subsection.

(b) For a new business established in a tax-free zone on or after July 1, 2005, the exemption shall be available for a period not to exceed 10 years, beginning in the year in which

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52 the business receives its initial certification and continuing  
53 for up to 10 years immediately following such certification. For  
54 an existing business located within a tax-free zone, the  
55 exemption shall be available for a period not to exceed 5 years,  
56 beginning in the year in which the business receives its initial  
57 certification and continuing for up to 5 years immediately  
58 following such certification.

59 (c) To qualify for a tax exemption under this act, a  
60 business must demonstrate that it is located in a tax-free zone  
61 and that no less than 20 percent of its employees are residents  
62 of the tax-free zone or an enterprise zone located within the  
63 county in which the tax-free zone is located. The employment  
64 requirement may be waived if the business is able to demonstrate  
65 good cause. It is a condition precedent to maintaining tax-  
66 exempt status that such employment requirements be fulfilled  
67 throughout each year during the respective 5-year or 10-year  
68 exemption period.

69 (d) To receive an exemption certificate, a business must  
70 file an application for certification with the local government  
71 or local community redevelopment organization. The application  
72 shall be filed no later than September 1 of the preceding tax  
73 year in which the business is seeking an exemption. A local  
74 government or local community redevelopment organization may  
75 certify a business if the business meets the requirements of  
76 this subsection.

77 (e) Each local government or local community redevelopment  
78 organization shall annually provide the Department of Revenue a  
79 list of the certified businesses and the department shall issue

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80 | a tax exemption permit to each business holding an exemption  
81 | certificate issued by the local government or local community  
82 | redevelopment organization.

83 | (3) The provisions of this section shall expire and be  
84 | void on June 30, 2015, and no business shall be allowed to claim  
85 | the exemptions provided under this act after that date.

86 | Section 3. Review of pilot project.--Prior to the 2010  
87 | Regular Session of the Legislature, the Office of Program Policy  
88 | Analysis and Government Accountability shall conduct an interim  
89 | review and evaluation of the effectiveness and viability of the  
90 | urban revitalization tax-free zones created under this act. The  
91 | office shall specifically evaluate whether relief from the  
92 | specified taxes caused or induced new investment and development  
93 | in the area; increased the number of jobs created or retained in  
94 | the area; caused or induced the renovation, rehabilitation,  
95 | restoration, improvement, or new construction of businesses or  
96 | housing within the area; or contributed to the economic  
97 | viability and profitability of business and commerce located  
98 | within the area. The office shall submit a report of its  
99 | findings and recommendations to the Speaker of the House of  
100 | Representatives and the President of the Senate no later than  
101 | December 1, 2010. In 2015, the office shall conduct a final  
102 | review in accordance with this subsection and shall make a final  
103 | report to the President of the Senate and the Speaker of the  
104 | House of Representatives no later than December 1, 2015.

105 | Section 4. This act is repealed June 30, 2015, and any  
106 | designation made pursuant to this act shall be revoked on that  
107 | date.

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108 |           Section 5. This act shall take effect July 1, 2005, and  
109 | shall apply to state taxable years beginning on that date.