



1 available annual community contribution tax  
2 credits; limiting application of certain  
3 retaliatory tax provisions under certain  
4 circumstances; revising tax credit eligibility  
5 criteria; requiring the Office of Tourism,  
6 Trade, and Economic Development to reserve  
7 portions of certain annual tax credits for  
8 donations made to eligible sponsors for  
9 projects that provide homeownership  
10 opportunities for certain households; providing  
11 requirements, criteria, and limitations;  
12 extending an expiration date; providing an  
13 effective date.

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

16  
17 Section 1. Paragraph (q) of subsection (5) of section  
18 212.08, Florida Statutes, is amended to read:

19 212.08 Sales, rental, use, consumption, distribution,  
20 and storage tax; specified exemptions.--The sale at retail,  
21 the rental, the use, the consumption, the distribution, and  
22 the storage to be used or consumed in this state of the  
23 following are hereby specifically exempt from the tax imposed  
24 by this chapter.

25 (5) EXEMPTIONS; ACCOUNT OF USE.--

26 (q) Community contribution tax credit for donations.--

27 1. Authorization.--Beginning July 1, 2001, persons who  
28 are registered with the department under s. 212.18 to collect  
29 or remit sales or use tax and who make donations to eligible  
30 sponsors are eligible for tax credits against their state  
31 sales and use tax liabilities as provided in this paragraph:

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

3           b. The credit shall be granted as a refund against  
4 state sales and use taxes reported on returns and remitted in  
5 the 12 months preceding the date of application to the  
6 department for the credit as required in sub-subparagraph 3.c.  
7 If the annual credit is not fully used through such refund  
8 because of insufficient tax payments during the applicable  
9 12-month period, the unused amount may be included in an  
10 application for a refund made pursuant to sub-subparagraph  
11 3.c. in subsequent years against the total tax payments made  
12 for such year. Carryover credits may be applied for a 3-year  
13 period without regard to any time limitation that would  
14 otherwise apply under s. 215.26;

15           c. ~~A No~~ person may not ~~shall~~ receive more than  
16 \$200,000 in annual tax credits for all approved community  
17 contributions made in any one year;

18           d. All proposals for the granting of the tax credit  
19 ~~shall~~ require the prior approval of the Office of Tourism,  
20 Trade, and Economic Development;

21           e. The total amount of tax credits which may be  
22 granted for all programs approved under this paragraph, s.  
23 220.183, and s. 624.5105 is ~~\$15\$10~~ \$15 million annually; and

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

28           2. Eligibility requirements.--

29           a. A community contribution by a person must be in the  
30 following form:

31           (I) Cash or other liquid assets;

1           (II) Real property;  
2           (III) Goods or inventory; or  
3           (IV) Other physical resources as identified by the  
4 Office of Tourism, Trade, and Economic Development.  
5           b. All community contributions must be reserved  
6 exclusively for use in a project. As used in this  
7 sub-subparagraph, the term "project" means any activity  
8 undertaken by an eligible sponsor which is designed to  
9 construct, improve, or substantially rehabilitate housing that  
10 is affordable to low-income or very-low-income households as  
11 defined in s. 420.9071(19) and (28); designed to provide  
12 commercial, industrial, or public resources and facilities; or  
13 designed to improve entrepreneurial and job-development  
14 opportunities for low-income persons. A project may be the  
15 investment necessary to increase access to high-speed  
16 broadband capability in rural communities with enterprise  
17 zones, including projects that result in improvements to  
18 communications assets that are owned by a business. A project  
19 may include the provision of museum educational programs and  
20 materials that are directly related to any project approved  
21 between January 1, 1996, and December 31, 1999, and located in  
22 an enterprise zone as referenced in s. 290.00675. This  
23 paragraph does not preclude projects that propose to construct  
24 or rehabilitate housing for low-income or very-low-income  
25 households on scattered sites. ~~The Office of Tourism, Trade,~~  
26 ~~and Economic Development may reserve up to 50 percent of the~~  
27 ~~available annual tax credits for housing for very low income~~  
28 ~~households pursuant to s. 420.9071(28) for the first 6 months~~  
29 ~~of the fiscal year.~~ With respect to housing, contributions may  
30 be used to pay the following eligible low-income and  
31 very-low-income housing-related activities:

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

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

5 (III) Administrative costs, including housing  
6 counseling and marketing fees, not to exceed 10 percent of the  
7 community contribution, directly related to low-income or  
8 very-low-income projects; and

9 (IV) Removal of liens recorded against residential  
10 property by municipal, county, or special district local  
11 governments when satisfaction of the lien is a necessary  
12 precedent to the transfer of the property to an eligible  
13 person, as defined in s. 420.9071(19) and (28), for the  
14 purpose of promoting home ownership. Contributions for lien  
15 removal must be received from a nonrelated third party.

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

18 (I) A community action program;

19 (II) A nonprofit community-based development  
20 organization whose mission is the provision of housing for  
21 low-income or very-low-income households or increasing  
22 entrepreneurial and job-development opportunities for  
23 low-income persons;

24 (III) A neighborhood housing services corporation;

25 (IV) A local housing authority created under chapter  
26 421;

27 (V) A community redevelopment agency created under s.  
28 163.356;

29 (VI) The Florida Industrial Development Corporation;

30 (VII) A historic preservation district agency or  
31 organization;

1           (VIII) A regional workforce board;

2           (IX) A direct-support organization as provided in s.  
3 1009.983;

4           (X) An enterprise zone development agency created  
5 under s. 290.0056;

6           (XI) A community-based organization incorporated under  
7 chapter 617 which is recognized as educational, charitable, or  
8 scientific pursuant to s. 501(c)(3) of the Internal Revenue  
9 Code and whose bylaws and articles of incorporation include  
10 affordable housing, economic development, or community  
11 development as the primary mission of the corporation;

12           (XII) Units of local government;

13           (XIII) Units of state government; or

14           (XIV) Any other agency that the Office of Tourism,  
15 Trade, and Economic Development designates by rule.

16

17 In no event may a contributing person have a financial  
18 interest in the eligible sponsor.

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

29           e.(I) The Office of Tourism, Trade, and Economic  
30 Development shall reserve 80 percent of the available annual  
31 tax credits for donations made to eligible sponsors for

1 projects that provide homeownership opportunities for  
2 low-income or very-low-income households as defined in s.  
3 420.9071(19) and (28) for the first 6 months of the fiscal  
4 year. If less than 80 percent of the annual tax credits for  
5 donations made to eligible sponsors for projects that provide  
6 homeownership opportunities for low-income or very-low-income  
7 households are approved within the first 6 months of the  
8 fiscal year, the office may approve the balance of available  
9 credits for donations made to eligible sponsors for projects  
10 other than those that provide homeownership opportunities for  
11 low-income or very-low-income households.

12 (II) The office shall reserve 20 percent of the  
13 available annual tax credits for donations made to eligible  
14 sponsors for projects other than those that provide  
15 homeownership opportunities for low-income or very-low-income  
16 households as defined in s. 420.9071(19) and (28) for the  
17 first 6 months of the fiscal year. If less than 20 percent of  
18 the annual tax credits for donations made to eligible sponsors  
19 for projects other than those that provide homeownership  
20 opportunities for low-income or very-low-income households are  
21 approved within the first 6 months of the fiscal year, the  
22 office may approve the balance of available credits for  
23 donations made to eligible sponsors for projects that provide  
24 homeownership opportunities for low-income or very-low-income  
25 households.

26 (III) If, during the first 10 business days of the  
27 state fiscal year, tax credit applications are received for  
28 less than 80 percent of available annual tax credits for  
29 approved projects that provide homeownership opportunities for  
30 low-income or very-low-income households, the office shall  
31 grant tax credits for those applications and shall grant

1 remaining tax credits on a first-come, first-served basis for  
2 any subsequent applications for such projects received before  
3 the end of the first 6 months of the state fiscal year. If,  
4 during the first 10 business days of the state fiscal year,  
5 tax credit applications are received for more than 80 percent  
6 of available annual tax credits for approved projects that  
7 provide homeownership opportunities for low-income or  
8 very-low-income households, the office shall grant the tax  
9 credits for such applications as follows:

10       (A) If tax credit applications submitted for approved  
11 projects of an eligible sponsor do not exceed \$200,000 in  
12 total, the credits shall be granted in full if the tax credit  
13 applications are approved and subject to sub-sub-subparagraph  
14 (I).

15       (B) If tax credit applications submitted for approved  
16 projects of an eligible sponsor exceed \$200,000 in total, the  
17 amount of tax credits granted pursuant to  
18 sub-sub-sub-subparagraph (A) shall be subtracted from the  
19 amount of available tax credits pursuant to  
20 sub-sub-subparagraph (I), and the remaining credits shall be  
21 granted to each approved tax credit application on a pro rata  
22 basis.

23       (C) If, after the first 6 months of the fiscal year,  
24 additional credits become available pursuant to  
25 sub-sub-subparagraph (II), the office shall grant the tax  
26 credits by first granting to those who received a pro rata  
27 reduction up to the full amount of their request, and, if  
28 there are remaining credits, granting credits to those who  
29 applied on or after the 11th business day of the state fiscal  
30 year on a first-come, first-served basis.  
31



1           (IV) If, during the first 10 business days of the  
2 state fiscal year, tax credit applications are received for  
3 less than 20 percent of available annual tax credits for  
4 approved projects other than those that provide homeownership  
5 opportunities for low-income or very-low-income households,  
6 the office shall grant tax credits for those applications and  
7 shall grant remaining tax credits on a first-come, first-serve  
8 basis for any subsequent applications for such projects  
9 received before the end of the first 6 months of the state  
10 fiscal year. If, during the first 10 business days of the  
11 state fiscal year, tax credit applications are received for  
12 more than 20 percent of available annual tax credits for  
13 approved projects other than those that provide homeownership  
14 opportunities for low-income or very-low-income households,  
15 the office shall grant the tax credit to each approved tax  
16 credit application on a pro rata basis. If, after the first 6  
17 months of the fiscal year, additional credits become available  
18 pursuant to sub-sub-subparagraph (I), the office shall grant  
19 the tax credits by first granting to those who received a pro  
20 rata reduction up to the full amount of their request, and, if  
21 there are remaining credits, granting credits to those who  
22 applied on or after the 11th business day of the state fiscal  
23 year on a first-come, first-served basis.

24           3. Application requirements.--

25           a. Any eligible sponsor seeking to participate in this  
26 program must submit a proposal to the Office of Tourism,  
27 Trade, and Economic Development which sets forth the name of  
28 the sponsor, a description of the project, and the area in  
29 which the project is located, together with such supporting  
30 information as is prescribed by rule. The proposal must also  
31 contain a resolution from the local governmental unit in which

1 the project is located certifying that the project is  
2 consistent with local plans and regulations.

3           b. Any person seeking to participate in this program  
4 must submit an application for tax credit to the Office of  
5 Tourism, Trade, and Economic Development which sets forth the  
6 name of the sponsor, a description of the project, and the  
7 type, value, and purpose of the contribution. The sponsor  
8 shall verify the terms of the application and indicate its  
9 receipt of the contribution, which verification must be in  
10 writing and accompany the application for tax credit. The  
11 person must submit a separate tax credit application to the  
12 office for each individual contribution that it makes to each  
13 individual project.

14           c. Any person who has received notification from the  
15 Office of Tourism, Trade, and Economic Development that a tax  
16 credit has been approved must apply to the department to  
17 receive the refund. Application must be made on the form  
18 prescribed for claiming refunds of sales and use taxes and be  
19 accompanied by a copy of the notification. A person may submit  
20 only one application for refund to the department within any  
21 12-month period.

22           4. Administration.--

23           a. The Office of Tourism, Trade, and Economic  
24 Development may adopt rules pursuant to ss. 120.536(1) and  
25 120.54 necessary to administer this paragraph, including rules  
26 for the approval or disapproval of proposals by a person.

27           b. The decision of the Office of Tourism, Trade, and  
28 Economic Development must be in writing, and, if approved, the  
29 notification shall state the maximum credit allowable to the  
30 person. Upon approval, the office shall transmit a copy of the  
31 decision to the Department of Revenue.

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

6           d. The Office of Tourism, Trade, and Economic  
7 Development shall, in consultation with the Department of  
8 Community Affairs, the Florida Housing Finance Corporation,  
9 and the statewide and regional housing and financial  
10 intermediaries, market the availability of the community  
11 contribution tax credit program to community-based  
12 organizations.

13           5. Expiration.--This paragraph expires June 30, 2015  
14 ~~2005~~; however, any accrued credit carryover that is unused on  
15 that date may be used until the expiration of the 3-year  
16 carryover period for such credit.

17           Section 2. Paragraph (t) of subsection (1) of section  
18 220.03, Florida Statutes, is amended to read:

19           220.03 Definitions.--

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

24           (t) "Project" means any activity undertaken by an  
25 eligible sponsor, as defined in s. 220.183(2)(c), which is  
26 designed to construct, improve, or substantially rehabilitate  
27 housing that is affordable to low-income or very-low-income  
28 households as defined in s. 420.9071(19) and (28); designed to  
29 provide commercial, industrial, or public resources and  
30 facilities; or designed to improve entrepreneurial and  
31 job-development opportunities for low-income persons. A

1 project may be the investment necessary to increase access to  
2 high-speed broadband capability in rural communities with  
3 enterprise zones, including projects that result in  
4 improvements to communications assets that are owned by a  
5 business. A project may include the provision of museum  
6 educational programs and materials that are directly related  
7 to any project approved between January 1, 1996, and December  
8 31, 1999, and located in an enterprise zone as referenced in  
9 s. 290.00675. This paragraph does not preclude projects that  
10 propose to construct or rehabilitate low-income or  
11 very-low-income housing on scattered sites. ~~The Office of~~  
12 ~~Tourism, Trade, and Economic Development may reserve up to 50~~  
13 ~~percent of the available annual tax credits under s. 220.181~~  
14 ~~for housing for very low income households pursuant to s.~~  
15 ~~420.9071(28) for the first 6 months of the fiscal year.~~ With  
16 respect to housing, contributions may be used to pay the  
17 following eligible project-related activities:

- 18 1. Project development, impact, and management fees  
19 for low-income or very-low-income housing projects;
- 20 2. Down payment and closing costs for eligible  
21 persons, as defined in s. 420.9071(19) and (28);
- 22 3. Administrative costs, including housing counseling  
23 and marketing fees, not to exceed 10 percent of the community  
24 contribution, directly related to low-income or  
25 very-low-income projects; and
- 26 4. Removal of liens recorded against residential  
27 property by municipal, county, or special-district local  
28 governments when satisfaction of the lien is a necessary  
29 precedent to the transfer of the property to an eligible  
30 person, as defined in s. 420.9071(19) and (28), for the  
31

1 purpose of promoting home ownership. Contributions for lien  
2 removal must be received from a nonrelated third party.

3  
4 The provisions of this paragraph shall expire and be void on  
5 June 30, 2015 ~~2005~~.

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

9 220.183 Community contribution tax credit.--

10 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX  
11 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM  
12 SPENDING.--

13 (c) The total amount of tax credit which may be  
14 granted for all programs approved under this section, s.  
15 212.08(5)(q), and s. 624.5105 is ~~\$15\$10~~ million annually.

16 (2) ELIGIBILITY REQUIREMENTS.--

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

19 2. The Office of Tourism, Trade, and Economic  
20 Development shall ~~may~~ reserve 80 ~~up to 50~~ percent of the  
21 available annual tax credits for housing for donations made to  
22 eligible sponsors for projects that provide homeownership  
23 opportunities for low-income or very-low-income households as  
24 defined in ~~pursuant to~~ s. 420.9071(19) and (28) for the first  
25 6 months of the fiscal year. If less than 80 percent of the  
26 annual tax credits for donations made to eligible sponsors for  
27 projects that provide homeownership opportunities for  
28 low-income or very-low-income households are approved within  
29 the first 6 months of the fiscal year, the office may approve  
30 the balance of available credits for donations made to  
31 eligible sponsors for projects other than those that provide

1 homeownership opportunities for low-income or very-low-income  
2 households.

3       3. The office shall reserve 20 percent of the  
4 available annual tax credits for donations made to eligible  
5 sponsors for projects other than those that provide  
6 homeownership opportunities for low-income or very-low-income  
7 households as defined in s. 420.9071(19) and (28) for the  
8 first 6 months of the fiscal year. If less than 20 percent of  
9 the annual tax credits for donations made to eligible sponsors  
10 for projects other than those that provide homeownership  
11 opportunities for low-income or very-low-income households are  
12 approved within the first 6 months of the fiscal year, the  
13 office may approve the balance of available credits for  
14 donations made to eligible sponsors for projects that provide  
15 homeownership opportunities for low-income or very-low-income  
16 households.

17       4. If, during the first 10 business days of the state  
18 fiscal year, tax credit applications are received for less  
19 than 80 percent of available annual tax credits for approved  
20 projects that provide homeownership opportunities for  
21 low-income or very-low-income households, the office shall  
22 grant tax credits for those applications and shall grant  
23 remaining tax credits on a first-come, first-serve basis for  
24 any subsequent applications for such projects received before  
25 the end of the first 6 months of the state fiscal year. If,  
26 during the first 10 business days of the state fiscal year,  
27 tax credit applications are received for more than 80 percent  
28 of available annual tax credits for approved projects that  
29 provide homeownership opportunities for low-income or  
30 very-low-income households, the office shall grant the tax  
31 credits to such applications as follows:

1           a. If tax credit applications submitted for approved  
2 projects of an eligible sponsor do not exceed \$200,000 in  
3 total, the credits shall be granted in full if the tax credit  
4 applications are approved and subject to subparagraph 2.

5           b. If tax credit applications submitted for approved  
6 projects of an eligible sponsor exceed \$200,000 in total, the  
7 amount of tax credits granted pursuant to sub-subparagraph a.  
8 shall be subtracted from the amount of available tax credits  
9 pursuant to subparagraph 2., and the remaining credits shall  
10 be granted to each approved tax credit application on a pro  
11 rata basis.

12           c. If, after the first 6 months of the fiscal year,  
13 additional credits become available pursuant to subparagraph  
14 3., the office shall grant the tax credits by first granting  
15 to those who received a pro rata reduction up to the full  
16 amount of their request, and, if there are remaining credits,  
17 granting credits to those who applied on or after the 11th  
18 business day of the state fiscal year on a first-come,  
19 first-served basis.

20           5. If, during the first 10 business days of the state  
21 fiscal year, tax credit applications are received for less  
22 than 20 percent of available annual tax credits for approved  
23 projects other than those that provide homeownership  
24 opportunities for low-income or very-low-income households,  
25 the office shall grant tax credits for those applications and  
26 shall grant remaining tax credits on a first-come, first-serve  
27 basis for any subsequent applications for such projects  
28 received before the end of the first 6 months of the state  
29 fiscal year. If, during the first 10 business days of the  
30 state fiscal year, tax credit applications are received for  
31 more than 20 percent of available annual tax credits for

1 approved projects other than those that provide homeownership  
2 opportunities for low-income or very-low-income households,  
3 the office shall grant the tax credits to each approved tax  
4 credit application on a pro rata basis. If, after the first 6  
5 months of the fiscal year, additional credits become available  
6 under subparagraph 2., the office shall grant the tax credits  
7 by first granting to those who received a pro rata reduction  
8 up to the full amount of their request, and, if there are  
9 remaining credits, granting credits to those who applied on or  
10 after the 11th business day of the state fiscal year on a  
11 first-come, first-served basis.

12 (5) EXPIRATION.--The provisions of this section,  
13 except paragraph (1)(e), shall expire and be void on June 30,  
14 2015 ~~2005~~.

15 Section 4. Paragraph (c) of subsection (1) and  
16 subsection (6) of section 624.5105, Florida Statutes, are  
17 amended, paragraph (f) is added to subsection (1), and  
18 paragraph (e) is added to subsection (2) of that section, to  
19 read:

20 624.5105 Community contribution tax credit;  
21 authorization; limitations; eligibility and application  
22 requirements; administration; definitions; expiration.--

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

24 (c) The total amount of tax credit which may be  
25 granted for all programs approved under this section and ss.  
26 212.08(5)(g) and s. 220.183 is~~\$15~~\$10 million annually.

27 (f) An insurer that claims a credit against  
28 premium-tax liability earned by making a community  
29 contribution under this section need not pay any additional  
30 retaliatory tax levied under s. 624.5091 as a result of  
31



1 claiming such a credit, and s. 624.5091 does not limit such a  
2 credit in any manner.

3 (2) ELIGIBILITY REQUIREMENTS.--

4 (e)1. The Office of Tourism, Trade, and Economic  
5 Development shall reserve 80 percent of the available annual  
6 tax credits for donations made to eligible sponsors for  
7 projects that provide homeownership opportunities for  
8 low-income or very-low-income households under s. 420.9071(19)  
9 and (28) for the first 6 months of the fiscal year. If less  
10 than 80 percent of the annual tax credits for donations made  
11 to eligible sponsors for projects that provide homeownership  
12 opportunities for low-income or very-low-income households are  
13 approved within the first 6 months of the fiscal year, the  
14 office may approve the balance of available credits for  
15 donations made to eligible sponsors for projects other than  
16 those that provide homeownership opportunities for low-income  
17 or very-low-income households.

18 2. The office shall reserve 20 percent of the  
19 available annual tax credits for donations made to eligible  
20 sponsors for projects other than those that provide  
21 homeownership opportunities for low-income or very-low-income  
22 households as defined in s. 420.9071(19) and (28) for the  
23 first 6 months of the fiscal year. If less than 20 percent of  
24 the annual tax credits for donations made to eligible sponsors  
25 for projects other than those that provide homeownership  
26 opportunities for low-income or very-low-income households are  
27 approved within the first 6 months of the fiscal year, the  
28 office may approve the balance of available credits for  
29 donations made to eligible sponsors for projects that provide  
30 homeownership opportunities for low-income or very-low-income  
31 households.

1           3. If, during the first 10 business days of the state  
2 fiscal year, tax credit applications are received for less  
3 than 80 percent of available annual tax credits for approved  
4 projects that provide homeownership opportunities for  
5 low-income or very-low-income households, the office shall  
6 grant tax credits for those applications and shall grant  
7 remaining tax credits on a first-come, first-serve basis for  
8 any subsequent applications for such projects received before  
9 the end of the first 6 months of the state fiscal year. If,  
10 during the first 10 business days of the state fiscal year,  
11 tax credit applications are received for more than 80 percent  
12 of available annual tax credits for approved projects that  
13 provide homeownership opportunities for low-income or  
14 very-low-income households, the office shall grant the tax  
15 credits for such applications as follows:

16           a. If tax credit applications submitted for approved  
17 projects of an eligible sponsor do not exceed \$200,000 in  
18 total, the credits shall be granted in full if the tax credit  
19 applications are approved and subject to the provisions of  
20 subparagraph 1.

21           b. If tax credit applications submitted for approved  
22 projects of an eligible sponsor exceed \$200,000 in total, the  
23 amount of tax credits granted pursuant to sub-subparagraph a.  
24 shall be subtracted from the amount of available tax credits  
25 pursuant to subparagraph 1., and the remaining credits shall  
26 be granted to each approved tax credit application on a pro  
27 rata basis.

28           c. If, after the first 6 months of the fiscal year,  
29 additional credits become available under subparagraph 2., the  
30 office shall grant the tax credits by first granting to those  
31 who received a pro rata reduction up to the full amount of

1 their request, and, if there are remaining credits, granting  
2 credits to those who applied on or after the 11th business day  
3 of the state fiscal year on a first-come, first-served basis.

4 4. If, during the first 10 business days of the state  
5 fiscal year, tax credit applications are received for less  
6 than 20 percent of available annual tax credits for approved  
7 projects other than those that provide homeownership  
8 opportunities for low-income or very-low-income households,  
9 the office shall grant tax credits for those applications and  
10 shall grant remaining tax credits on a first-come, first-serve  
11 basis for any subsequent applications for such projects  
12 received before the end of the first 6 months of the state  
13 fiscal year. If, during the first 10 business days of the  
14 state fiscal year, tax credit applications are received for  
15 more than 20 percent of available annual tax credits for  
16 approved projects other than those that provide homeownership  
17 opportunities for low-income or very-low-income households,  
18 the office shall grant the tax credits to each approved tax  
19 credit application on a pro rata basis. If, after the first 6  
20 months of the fiscal year, additional credits become available  
21 under subparagraph 1., the office shall grant the tax credits  
22 by first granting to those who received a pro rata reduction  
23 up to the full amount of their request, and, if there are  
24 remaining credits, granting credits to those who applied on or  
25 after the 11th business day of the state fiscal year on a  
26 first-come, first-served basis.

27 (6) EXPIRATION.--The provisions of this section,  
28 except paragraph (1)(e), shall expire and be void on June 30,  
29 2015 2005.

30 Section 5. This act shall take effect June 29, 2005.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
COMMITTEE SUBSTITUTE FOR  
Senate Bill 202

The committee substitute differs from the original bill by:  
(1) reserving for 6 months, rather than 2 months, the initial  
80/20 split of available tax credits between low-income  
homeownership projects and the other types of eligible  
projects; and (2) further specifying the fund distribution  
priorities for tax credits.