

By Senator Margolis

35-1541-05

See HB

1                                   A bill to be entitled

2           An act relating to urban revitalization

3           tax-free zones; providing a popular name;

4           defining the terms "business," "tax-free zone,"

5           and "urban revitalization task force";

6           providing criteria and procedures for the urban

7           revitalization tax-free zones pilot project;

8           providing for certain tax exemptions for

9           businesses in such zones under certain

10          circumstances; requiring businesses to apply to

11          a respective urban revitalization tax force for

12          exemption certification; providing procedures

13          and requirements for certification of exemption

14          by such task forces; requiring the Department

15          of Revenue to issue tax exemption certificates

16          to businesses in such zones under certain

17          circumstances; providing exemption eligibility

18          requirements; providing an expiration date;

19          creating the Miami-Dade County and the Duval

20          County Urban Revitalization Task Forces;

21          providing for membership and duties; requiring

22          reports; requiring review of the urban

23          revitalization tax-free zones pilot project by

24          the Office of Program Policy Analysis and

25          Government Accountability; providing review

26          criteria; requiring a report to the

27          Legislature; providing for future repeal of the

28          act; providing an effective date.

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

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1           Section 1. Popular name.--This act may be cited as the  
2 "Urban Revitalization Tax-Free Zone Pilot Project Act."

3           Section 2. Definitions.--As used in this act, the  
4 term:

5           (1) "Business" shall have the same meaning as provided  
6 in s. 212.02(2), Florida Statutes.

7           (2) "Tax-free zone" means an urban revitalization zone  
8 that will allow qualified businesses certified by each  
9 respective urban revitalization task force to be exempt from  
10 the sales and use tax imposed pursuant to chapter 212, Florida  
11 Statutes, and the excise tax on documents imposed pursuant to  
12 chapter 201, Florida Statutes, within a portion of Miami-Dade  
13 County, specifically the area bordered by Northwest 23rd  
14 Street to the north, Northwest 5th Street to the south,  
15 Northeast First Avenue to the east, and Northwest 8th Avenue  
16 to the west, and within a portion of Duval County,  
17 specifically the area bordered by A. Phillip Randolph  
18 Boulevard to the north, Tallyrand Road to the south, Ninth  
19 Street to the west, and Union Street to the east.

20           (3) "Urban revitalization task force" means a task  
21 force created pursuant to this act that certifies businesses  
22 in each tax-free zone for exemption from the excise tax on  
23 documents imposed pursuant to chapter 201, Florida Statutes,  
24 and the sales and use tax imposed pursuant to chapter 212,  
25 Florida Statutes.

26           Section 3. Urban revitalization tax-free zone;  
27 criteria; procedures.--

28           (1)(a) A business established on or after July 1,  
29 2005, in a tax-free zone shall receive an exemption from the  
30 excise tax on documents imposed pursuant to chapter 201,  
31 Florida Statutes, and the sales and use tax imposed pursuant

1 to chapter 212, Florida Statutes. In order for a business to  
2 receive a certification exempting the business from the sales  
3 and use tax and the excise tax on documents, the business must  
4 apply with the respective jurisdictional urban revitalization  
5 task force created pursuant to section 4 for certification to  
6 receive such exemption.

7 (b) For a business established in a tax-free zone on or  
8 after July 1, 2005, the exemption shall be available for a  
9 period not to exceed 10 years, beginning in the year in which  
10 the business receives its initial certification from the  
11 respective task force and continuing for the 10 years  
12 immediately following such certification. For any business  
13 established prior to July 1, 2005, the exemption shall be  
14 available for a period not to exceed 5 years, beginning in the  
15 year in which the business receives its initial certification  
16 from the task force and continuing for the 5 years immediately  
17 following such certification.

18 (c) To receive a certification for an exemption, a  
19 business must file an application for certification with the  
20 appropriate jurisdictional urban revitalization task force.  
21 The application shall be filed no later than September 1 of  
22 the preceding tax year in which the business is seeking an  
23 exemption. The application shall be made on a form prescribed  
24 by the task force and shall include separate descriptions of:

25 1. Real and tangible personal property owned or leased  
26 by the business prior to expansion, if any.

27 2. Net new or additional real and tangible personal  
28 property acquired to facilitate a new, expanded, or rebuilt  
29 facility.

30 (d) The respective task force shall review the  
31 application to determine whether the application contains all

1 the information required pursuant to this section and meets  
2 the criteria specified in this section as well as criteria  
3 related to comprehensive urban planning, neighborhood  
4 aesthetics and compatibility, and maximization of economic  
5 development and job creation opportunities. The respective  
6 task force shall certify each business that submits an  
7 application that contains the information required pursuant to  
8 this section and meets the criteria specified in this section  
9 as eligible to receive an exemption. The certification shall  
10 be in writing and a copy of the certification shall be  
11 transmitted to the executive director of the Department of  
12 Revenue within 10 days after approval of the certification by  
13 the respective task force.

14 (2) The Department of Revenue shall issue a tax  
15 exemption permit to each business holding an exemption  
16 certification issued by the respective task force.

17 (3) In order to qualify for a tax exemption under this  
18 act, a business must provide a statement that no less than 20  
19 percent of its employees are residents of the tax-free zone or  
20 an enterprise zone located within the county in which the  
21 tax-free zone is located. The business may be exempt from this  
22 20-percent requirement if the business is able to demonstrate  
23 just cause to the respective task force. It shall be a  
24 condition precedent to maintaining tax-exempt status that such  
25 employment requirements be fulfilled throughout each year  
26 during the respective 5-year or 10-year period of the  
27 exemption. The statement shall set forth the name and place of  
28 residence of each permanent employee on the last day of  
29 business of the tax year for which the exemption is claimed  
30 or, if an employee is no longer employed or eligible for the  
31 credit on that date, on the last calendar day of the last full

1 calendar month the employee was employed or eligible for the  
2 credit at the relevant site.

3 (4) The provisions of this section shall expire and be  
4 void on June 30, 2013, and no business shall be allowed to  
5 claim the exemptions provided under this act after that date.

6 Section 4. Urban revitalization task forces; creation;  
7 membership and duties.--

8 (1) The Miami-Dade County Urban Revitalization Task  
9 Force and the Duval County Urban Revitalization Task Force are  
10 created. Each task force shall be composed of a business owner  
11 operating within the tax-free zone, appointed by the Governor;  
12 a resident residing within the tax-free zone, appointed by the  
13 Governor; a member of the House of Representatives residing in  
14 each respective tax-free zone, appointed by the Speaker of the  
15 House of Representatives; a member of the Senate residing in  
16 each respective tax-free zone, appointed by the President of  
17 the Senate; in Miami-Dade County, a county commissioner  
18 appointed by the county mayor and a city commissioner  
19 appointed by the Mayor of Miami; in Duval County, a  
20 councilperson appointed by the Mayor of Jacksonville and a  
21 councilperson appointed by the president of the Jacksonville  
22 consolidated city council; and the director of the Office of  
23 Tourism, Trade, and Economic Development. The terms of office  
24 for task force members shall be for 4 years each, except that  
25 members appointed by the Speaker of the House of  
26 Representatives and the President of the Senate shall serve  
27 for terms of 2 years each. A vacancy occurring during a term  
28 shall be filled for the unexpired term in the same manner as  
29 the original appointment. A task force member shall receive no  
30 compensation for his or her services, but is entitled to the  
31 necessary expenses, including travel expenses, as provided in

1 section 112.061, Florida Statutes, incurred in the discharge  
2 of his or her duties. Each task force member shall hold office  
3 until a successor has been appointed and has qualified. A  
4 certificate of the appointment or reappointment of any task  
5 force member shall be filed with the Clerk of Miami-Dade  
6 County or the Clerk of Duval County, respectively, and the  
7 certificate is conclusive evidence of the due and proper  
8 appointment of the task force member. The task force must meet  
9 at least quarterly in order to review applications and make  
10 determinations as to businesses eligible to attain tax-exempt  
11 status. The task force shall vote and designate a chair and  
12 vice chair. Members of each task force who are members of the  
13 Legislature or city or county commissioners or council members  
14 shall be ex officio nonvoting members.

15 (2) Subject to funding by the Miami-Dade County  
16 Commission and the Duval County/Jacksonville City Council,  
17 respectively, each task force may employ or designate an  
18 executive director, technical experts, and such other agents  
19 and employees, permanent and temporary, as the task force  
20 requires and determine their qualifications, duties, and  
21 compensation. For such legal services as the task force  
22 requires, each task force may employ or retain its own counsel  
23 and legal staff. Each task force authorized to transact  
24 business and exercise powers under this act shall file with  
25 the Clerk of Miami-Dade County or the Clerk of Duval County  
26 respectively, on or before March 31 of each year, a report of  
27 its activities for the preceding fiscal year, which report  
28 shall include a complete financial statement setting forth its  
29 assets, liabilities, income, and operating expenses as of the  
30 end of such fiscal year. At the time of filing the report,  
31 each task force shall publish in a newspaper of general

1 circulation in the community a notice to the effect that such  
2 report has been filed with the respective county or  
3 county/city authority and is available for inspection during  
4 business hours in the offices of the respective task force.

5 (3) Each task force shall submit a report of its  
6 activities to the Governor, the Speaker of the House of  
7 Representatives, and the President of the Senate by February  
8 15 of each year.

9 Section 5. Review of pilot project.--Prior to the 2015  
10 Regular Session of the Legislature, the Office of Program  
11 Policy Analysis and Government Accountability shall review and  
12 evaluate the effectiveness and viability of the urban  
13 revitalization tax-free zones created under this act. The  
14 Office of Program Policy Analysis and Government  
15 Accountability shall specifically evaluate whether relief from  
16 the specified taxes caused or induced new investment and  
17 development in the area; increased the number of jobs created  
18 or retained in the area; caused or induced the renovation,  
19 rehabilitation, restoration, improvement, or new construction  
20 of businesses or housing within the area; or contributed to  
21 the economic viability and profitability of business and  
22 commerce located within the area. The Office of Program Policy  
23 Analysis and Government Accountability shall submit a report  
24 of its findings and recommendations to the Speaker of the  
25 House of Representatives and the President of the Senate no  
26 later than January 15, 2015.

27 Section 6. This act is repealed June 30, 2015, and any  
28 designation made pursuant to this act shall be revoked on that  
29 date.

30 Section 7. This act shall take effect January 1, 2006.  
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