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A bill to be entitled
 An act relating to the community contribution tax credit;
 amending s. 212.08, F.S.; increasing the total amount of
 tax credits available as grants for certain programs;
 deleting a provision authorizing the Office of Tourism,
 Trade, and Economic Development to reserve certain
 portions of certain annual tax credits for eligible
 sponsors of certain low-income housing projects; requiring
 the office to reserve certain portions of available annual
 tax credits for eligible sponsors of certain low-income
 housing projects; providing requirements, criteria, and
 limitations; extending an expiration date; amending s.
 220.03, F.S.; revising a definition to delete a provision
 authorizing the office to reserve certain portions of
 available annual tax credits for eligible sponsors of
 certain low-income housing projects; extending an
 expiration date; amending ss. 220.183 and 624.5105, F.S.;
 increasing the amount of available annual community
 contribution tax credits; revising eligibility criteria;
 requiring the office to reserve certain portions of
 available annual tax credits for eligible sponsors of
 certain low-income housing projects; providing
 requirements, criteria, and limitations; extending an
 expiration date; providing an effective date.

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

Section 1. Paragraph (q) of subsection (5) of section

29 212.08, Florida Statutes, is amended to read:

30 212.08 Sales, rental, use, consumption, distribution, and
 31 storage tax; specified exemptions.--The sale at retail, the
 32 rental, the use, the consumption, the distribution, and the
 33 storage to be used or consumed in this state of the following
 34 are hereby specifically exempt from the tax imposed by this
 35 chapter.

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

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

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

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

45 b. The credit shall be granted as a refund against state
 46 sales and use taxes reported on returns and remitted in the 12
 47 months preceding the date of application to the department for
 48 the credit as required in sub-subparagraph 3.c. If the annual
 49 credit is not fully used through such refund because of
 50 insufficient tax payments during the applicable 12-month period,
 51 the unused amount may be included in an application for a refund
 52 made pursuant to sub-subparagraph 3.c. in subsequent years
 53 against the total tax payments made for such year. Carryover
 54 credits may be applied for a 3-year period without regard to any
 55 time limitation that would otherwise apply under s. 215.26;

56 c. A ~~No~~ person may not ~~shall~~ receive more than \$200,000 in

57 | annual tax credits for all approved community contributions made
 58 | in any one year;

59 | d. All proposals for the granting of the tax credit shall
 60 | require the prior approval of the Office of Tourism, Trade, and
 61 | Economic Development;

62 | e. The total amount of tax credits which may be granted
 63 | for all programs approved under this paragraph, s. 220.183, and
 64 | s. 624.5105 is \$20 ~~\$10~~ million annually; and

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

68 | 2. Eligibility requirements.--

69 | a. A community contribution by a person must be in the
 70 | following form:

71 | (I) Cash or other liquid assets;

72 | (II) Real property;

73 | (III) Goods or inventory; or

74 | (IV) Other physical resources as identified by the Office
 75 | of Tourism, Trade, and Economic Development.

76 | b. All community contributions must be reserved
 77 | exclusively for use in a project. As used in this sub-
 78 | subparagraph, the term "project" means any activity undertaken
 79 | by an eligible sponsor which is designed to construct, improve,
 80 | or substantially rehabilitate housing that is affordable to low-
 81 | income or very-low-income households as defined in s.
 82 | 420.9071(19) and (28); designed to provide commercial,
 83 | industrial, or public resources and facilities; or designed to
 84 | improve entrepreneurial and job-development opportunities for

85 low-income persons. A project may be the investment necessary to
86 increase access to high-speed broadband capability in rural
87 communities with enterprise zones, including projects that
88 result in improvements to communications assets that are owned
89 by a business. A project may include the provision of museum
90 educational programs and materials that are directly related to
91 any project approved between January 1, 1996, and December 31,
92 1999, and located in an enterprise zone as referenced in s.
93 290.00675. This paragraph does not preclude projects that
94 propose to construct or rehabilitate housing for low-income or
95 very-low-income households on scattered sites. ~~The Office of~~
96 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
97 ~~percent of the available annual tax credits for housing for~~
98 ~~very low income households pursuant to s. 420.9071(28) for the~~
99 ~~first 6 months of the fiscal year.~~ With respect to housing,
100 contributions may be used to pay the following eligible low-
101 income and very-low-income housing-related activities:

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

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

106 (III) Administrative costs, including housing counseling
107 and marketing fees, not to exceed 10 percent of the community
108 contribution, directly related to low-income or very-low-income
109 projects; and

110 (IV) Removal of liens recorded against residential
111 property by municipal, county, or special district local
112 governments when satisfaction of the lien is a necessary

113 precedent to the transfer of the property to an eligible person,
 114 as defined in s. 420.9071(19) and (28), for the purpose of
 115 promoting home ownership. Contributions for lien removal must be
 116 received from a nonrelated third party.

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

119 (I) A community action program;

120 (II) A nonprofit community-based development organization
 121 whose mission is the provision of housing for low-income or
 122 very-low-income households or increasing entrepreneurial and
 123 job-development opportunities for low-income persons;

124 (III) A neighborhood housing services corporation;

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

126 (V) A community redevelopment agency created under s.
 127 163.356;

128 (VI) The Florida Industrial Development Corporation;

129 (VII) A historic preservation district agency or
 130 organization;

131 (VIII) A regional workforce board;

132 (IX) A direct-support organization as provided in s.
 133 1009.983;

134 (X) An enterprise zone development agency created under s.
 135 290.0056;

136 (XI) A community-based organization incorporated under
 137 chapter 617 which is recognized as educational, charitable, or
 138 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
 139 and whose bylaws and articles of incorporation include
 140 affordable housing, economic development, or community

141 development as the primary mission of the corporation;
 142 (XII) Units of local government;
 143 (XIII) Units of state government; or
 144 (XIV) Any other agency that the Office of Tourism, Trade,
 145 and Economic Development designates by rule.

146
 147 In no event may a contributing person have a financial interest
 148 in the eligible sponsor.

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

158 e.(I) The Office of Tourism, Trade, and Economic
 159 Development shall reserve 60 percent of the available annual tax
 160 credits for donations made to eligible sponsors for projects
 161 that provide homeownership opportunities for low-income or very-
 162 low-income households under s. 420.9071(19) and (28) for the
 163 first 2 months of the fiscal year. If less than 60 percent of
 164 the annual tax credits for donations made to eligible sponsors
 165 for projects that provide homeownership opportunities for low-
 166 income or very-low-income households are approved within the
 167 first 2 months of the fiscal year, the office may approve the
 168 balance of available credits for donations made to eligible

169 sponsors for projects other than those that provide
170 homeownership opportunities for low-income or very-low-income
171 households.

172 (II) The office shall reserve 40 percent of the available
173 annual tax credits for donations made to eligible sponsors for
174 projects other than those that provide homeownership
175 opportunities for low-income or very-low-income households under
176 s. 420.9071(19) and (28) for the first 2 months of the fiscal
177 year. If less than 40 percent of the annual tax credits for
178 donations made to eligible sponsors for projects other than
179 those that provide homeownership opportunities for low-income or
180 very-low-income households are approved within the first 2
181 months of the fiscal year, the office may approve the balance of
182 available credits for donations made to eligible sponsors for
183 projects that provide homeownership opportunities for low-income
184 or very-low-income households.

185 (III) If, during the first 10 business days of the state
186 fiscal year, tax credit applications are received for more than
187 60 percent of available annual tax credits from eligible
188 sponsors for projects that provide homeownership opportunities
189 for low-income or very-low-income households, the office shall
190 grant the tax credits for such applications as follows:

191 (A) If an eligible sponsor submits tax credit applications
192 that, in total, do not exceed \$200,000, the credits shall be
193 granted in full if the tax credit applications are approved and
194 subject to sub-sub-subparagraph (I).

195 (B) If an eligible sponsor submits tax credit applications
196 that, in total, equal or exceed \$200,000, the amount of tax

197 credit granted under sub-sub-sub-subparagraph (A) shall be
 198 subtracted from the amount of available tax credits under sub-
 199 sub-subparagraph (I), and the remaining credits shall be granted
 200 to each approved tax credit application on a pro rata basis.

201 (C) If, after the first 2 months of the fiscal year,
 202 additional credits become available under sub-sub-subparagraph
 203 (II), the office shall grant the tax credits by first increasing
 204 the credit of those who received a pro rata reduction and, if
 205 there are remaining credits, granting credits to those who
 206 applied on or after the 11th business day of the state fiscal
 207 year on a first-come, first-served basis.

208 (IV) If, during the first 10 business days of the state
 209 fiscal year, tax credit applications are received for more than
 210 40 percent of available annual tax credits from eligible
 211 sponsors for projects other than those that provide
 212 homeownership opportunities for low-income or very-low-income
 213 households, the office shall grant the tax credits to each
 214 approved tax credit application on a pro rata basis. If, after
 215 the first 2 months of the fiscal year, additional credits become
 216 available under sub-sub-subparagraph (I), the office shall grant
 217 the tax credits by first increasing the credit of those who
 218 received a pro rata reduction and, if there are remaining
 219 credits, granting credits to those who applied on or after the
 220 11th business day of the state fiscal year on a first-come,
 221 first-served basis.

222 3. Application requirements.--

223 a. Any eligible sponsor seeking to participate in this
 224 program must submit a proposal to the Office of Tourism, Trade,

225 and Economic Development which sets forth the name of the
 226 sponsor, a description of the project, and the area in which the
 227 project is located, together with such supporting information as
 228 is prescribed by rule. The proposal must also contain a
 229 resolution from the local governmental unit in which the project
 230 is located certifying that the project is consistent with local
 231 plans and regulations.

232 b. Any person seeking to participate in this program must
 233 submit an application for tax credit to the Office of Tourism,
 234 Trade, and Economic Development which sets forth the name of the
 235 sponsor, a description of the project, and the type, value, and
 236 purpose of the contribution. The sponsor shall verify the terms
 237 of the application and indicate its receipt of the contribution,
 238 which verification must be in writing and accompany the
 239 application for tax credit. The person must submit a separate
 240 tax credit application to the office for each individual
 241 contribution that it makes to each individual project.

242 c. Any person who has received notification from the
 243 Office of Tourism, Trade, and Economic Development that a tax
 244 credit has been approved must apply to the department to receive
 245 the refund. Application must be made on the form prescribed for
 246 claiming refunds of sales and use taxes and be accompanied by a
 247 copy of the notification. A person may submit only one
 248 application for refund to the department within any 12-month
 249 period.

250 4. Administration.--

251 a. The Office of Tourism, Trade, and Economic Development
 252 may adopt rules pursuant to ss. 120.536(1) and 120.54 necessary

253 to administer this paragraph, including rules for the approval
 254 or disapproval of proposals by a person.

255 b. The decision of the Office of Tourism, Trade, and
 256 Economic Development must be in writing, and, if approved, the
 257 notification shall state the maximum credit allowable to the
 258 person. Upon approval, the office shall transmit a copy of the
 259 decision to the Department of Revenue.

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

265 d. The Office of Tourism, Trade, and Economic Development
 266 shall, in consultation with the Department of Community Affairs,
 267 the Florida Housing Finance Corporation, and the statewide and
 268 regional housing and financial intermediaries, market the
 269 availability of the community contribution tax credit program to
 270 community-based organizations.

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

275 Section 2. Paragraph (t) of subsection (1) of section
 276 220.03, Florida Statutes, is amended to read:

277 220.03 Definitions.--

278 (1) SPECIFIC TERMS.--When used in this code, and when not
 279 otherwise distinctly expressed or manifestly incompatible with
 280 the intent thereof, the following terms shall have the following

281 meanings:

282 (t) "Project" means any activity undertaken by an eligible
283 sponsor, as defined in s. 220.183(2)(c), which is designed to
284 construct, improve, or substantially rehabilitate housing that
285 is affordable to low-income or very-low-income households as
286 defined in s. 420.9071(19) and (28); designed to provide
287 commercial, industrial, or public resources and facilities; or
288 designed to improve entrepreneurial and job-development
289 opportunities for low-income persons. A project may be the
290 investment necessary to increase access to high-speed broadband
291 capability in rural communities with enterprise zones, including
292 projects that result in improvements to communications assets
293 that are owned by a business. A project may include the
294 provision of museum educational programs and materials that are
295 directly related to any project approved between January 1,
296 1996, and December 31, 1999, and located in an enterprise zone
297 as referenced in s. 290.00675. This paragraph does not preclude
298 projects that propose to construct or rehabilitate low-income or
299 very-low-income housing on scattered sites. ~~The Office of~~
300 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
301 ~~percent of the available annual tax credits under s. 220.181 for~~
302 ~~housing for very low income households pursuant to s.~~
303 ~~420.9071(28) for the first 6 months of the fiscal year.~~ With
304 respect to housing, contributions may be used to pay the
305 following eligible project-related activities:

- 306 1. Project development, impact, and management fees for
307 low-income or very-low-income housing projects;
- 308 2. Down payment and closing costs for eligible persons, as

309 defined in s. 420.9071(19) and (28);

310 3. Administrative costs, including housing counseling and
 311 marketing fees, not to exceed 10 percent of the community
 312 contribution, directly related to low-income or very-low-income
 313 projects; and

314 4. Removal of liens recorded against residential property
 315 by municipal, county, or special-district local governments when
 316 satisfaction of the lien is a necessary precedent to the
 317 transfer of the property to an eligible person, as defined in s.
 318 420.9071(19) and (28), for the purpose of promoting home
 319 ownership. Contributions for lien removal must be received from
 320 a nonrelated third party.

321
 322 The provisions of this paragraph shall expire and be void on
 323 June 30, 2015 ~~2005~~.

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

327 220.183 Community contribution tax credit.--

328 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
 329 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
 330 SPENDING.--

331 (c) The total amount of tax credit which may be granted
 332 for all programs approved under this section, s. 212.08(5)(q),
 333 and s. 624.5105 is \$20 ~~\$10~~ million annually.

334 (2) ELIGIBILITY REQUIREMENTS.--

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

337 2. The Office of Tourism, Trade, and Economic Development
338 shall may reserve 60 up to 50 percent of the available annual
339 tax credits for housing for donations made to eligible sponsors
340 for projects that provide homeownership opportunities for low-
341 income or very-low-income households under pursuant to s.
342 420.9071(19) and (28) for the first 2 6 months of the fiscal
343 year. If less than 60 percent of the annual tax credits for
344 donations made to eligible sponsors for projects for low-income
345 or very-low-income households are approved within the first 2
346 months of the fiscal year, the office may approve the balance of
347 available credits for donations made to eligible sponsors for
348 projects other than those that provide homeownership
349 opportunities for low-income or very-low-income households.

350 3. The office shall reserve 40 percent of the available
351 annual tax credits for donations made to eligible sponsors for
352 projects other than those that provide homeownership
353 opportunities for low-income or very-low-income households under
354 s. 420.9071(19) and (28) for the first 2 months of the fiscal
355 year. If less than 40 percent of the annual tax credits for
356 donations made to eligible sponsors for projects other than
357 those that provide homeownership opportunities for low-income or
358 very-low-income households are approved within the first 2
359 months of the fiscal year, the office may approve the balance of
360 available credits for donations made to eligible sponsors for
361 projects that provide homeownership opportunities for low-income
362 or very-low-income households.

363 4. If, during the first 10 business days of the state
364 fiscal year, tax credit applications are received for more than

365 60 percent of available annual tax credits from eligible
 366 sponsors for projects that provide homeownership opportunities
 367 for low-income or very-low-income households, the office shall
 368 grant the tax credits for such applications as follows:

369 a. If an eligible sponsor submits tax credit applications
 370 that, in total, do not exceed \$200,000, the credits shall be
 371 granted in full if the tax credit applications are approved and
 372 subject to subparagraph 2.

373 b. If an eligible sponsor submits tax credit applications
 374 that, in total, equal or exceed \$200,000, the amount of tax
 375 credits granted under sub-subparagraph a. shall be subtracted
 376 from the amount of available tax credits under subparagraph 2.,
 377 and the remaining credits shall be granted to each approved tax
 378 credit application on a pro rata basis.

379 c. If, after the first 2 months of the fiscal year,
 380 additional credits become available under subparagraph 3., the
 381 office shall grant the tax credits by first increasing the
 382 credit of those who received a pro rata reduction and, if there
 383 are remaining credits, granting credits to those who applied on
 384 or after the 11th business day of the state fiscal year on a
 385 first-come, first-served basis.

386 5. If, during the first 10 business days of the state
 387 fiscal year, tax credit applications are received for more than
 388 40 percent of available annual tax credits from eligible
 389 sponsors for projects other than those that provide
 390 homeownership opportunities for low-income or very-low-income
 391 households, the office shall grant the tax credits to each
 392 approved tax credit application on a pro rata basis. If, after

393 the first 2 months of the fiscal year, additional credits become
 394 available under subparagraph 2., the office shall grant the tax
 395 credits by first increasing the credit of those who received a
 396 pro rata reduction and, if there are remaining credits, granting
 397 credits to those who applied on or after the 11th business day
 398 of the state fiscal year on a first-come, first-served basis.

399 (5) EXPIRATION.--The provisions of this section, except
 400 paragraph (1)(e), shall expire and be void on June 30, 2015
 401 2005.

402 Section 4. Paragraph (c) of subsection (1) and subsection
 403 (6) of section 624.5105, Florida Statutes, are amended, and
 404 paragraph (e) is added to subsection (2) of said section, to
 405 read:

406 624.5105 Community contribution tax credit; authorization;
 407 limitations; eligibility and application requirements;
 408 administration; definitions; expiration.--

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

410 (c) The total amount of tax credit which may be granted
 411 for all programs approved under this section, s. 212.08(5)(q),
 412 and s. 220.183 is \$20 ~~\$10~~ million annually.

413 (2) ELIGIBILITY REQUIREMENTS.--

414 (e)1. The Office of Tourism, Trade, and Economic
 415 Development shall reserve 60 percent of the available annual tax
 416 credits for donations made to eligible sponsors for projects
 417 that provide homeownership opportunities for low-income or very-
 418 low-income households under s. 420.9071(19) and (28) for the
 419 first 2 months of the fiscal year. If less than 60 percent of
 420 the annual tax credits for donations made to eligible sponsors

421 for projects that provide homeownership opportunities for low-
422 income or very-low-income households are approved within the
423 first 2 months of the fiscal year, the office may approve the
424 balance of available credits for donations made to eligible
425 sponsors for projects other than those that provide
426 homeownership opportunities for low-income or very-low-income
427 households.

428 2. The office shall reserve 40 percent of the available
429 annual tax credits for donations made to eligible sponsors for
430 projects other than those that provide homeownership
431 opportunities for low-income or very-low-income households under
432 s. 420.9071(19) and (28) for the first 2 months of the fiscal
433 year. If less than 40 percent of the annual tax credits for
434 donations made to eligible sponsors for projects other than
435 those that provide homeownership opportunities for low-income or
436 very-low-income households are approved within the first 2
437 months of the fiscal year, the office may approve the balance of
438 available credits for donations made to eligible sponsors for
439 projects that provide homeownership opportunities for low-income
440 or very-low-income households.

441 3. If, during the first 10 business days of the state
442 fiscal year, tax credit applications are received for more than
443 60 percent of available annual tax credits from eligible
444 sponsors for projects that provide homeownership opportunities
445 for low-income or very-low-income households, the office shall
446 grant the tax credits for such applications as follows:

447 a. If an eligible sponsor submits tax credit applications
448 that, in total, do not exceed \$200,000, the credits shall be

449 granted in full if the tax credit applications are approved and
 450 subject to subparagraph 1.

451 b. If an eligible sponsor submits tax credit applications
 452 that, in total, equal or exceed \$200,000, the amount of tax
 453 credits granted under sub-subparagraph a. shall be subtracted
 454 from the amount of available tax credits under subparagraph 1.,
 455 and the remaining credits shall be granted to each approved tax
 456 credit application on a pro rata basis.

457 c. If, after the first 2 months of the fiscal year,
 458 additional credits become available under subparagraph 2., the
 459 office shall grant the tax credits by first increasing the
 460 credit of those who received a pro rata reduction and, if there
 461 are remaining credits, granting credits to those who applied on
 462 or after the 11th business day of the state fiscal year on a
 463 first-come, first-served basis.

464 4. If, during the first 10 business days of the state
 465 fiscal year, tax credit applications are received for more than
 466 40 percent of available annual tax credits from eligible
 467 sponsors for projects other than those that provide
 468 homeownership opportunities for low-income or very-low-income
 469 households, the office shall grant the tax credits to each
 470 approved tax credit application on a pro rata basis. If, after
 471 the first 2 months of the fiscal year, additional credits become
 472 available under subparagraph 1., the office shall grant the tax
 473 credits by first increasing the credit of those who received a
 474 pro rata reduction and, if there are remaining credits, granting
 475 credits to those who applied on or after the 11th business day
 476 of the state fiscal year on a first-come, first-served basis.

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477 | (6) EXPIRATION.--The provisions of this section, except
478 | paragraph (1)(e), shall expire and be void on June 30, 2015
479 | ~~2005~~.

480 | Section 5. This act shall take effect upon becoming a law.