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A bill to be entitled
 An act relating to enterprise zones; authorizing the
 Office of Tourism, Trade, and Economic Development to
 approve requests to amend enterprise zone boundaries;
 providing amendment requirements; authorizing existing
 enterprise zones to request recertification; providing
 request requirements; amending s. 212.08, F.S.; reducing
 the amount of sales tax refunded for business property
 used in an enterprise zone; revising the definition of the
 term "business property"; amending s. 290.007, F.S.;
 authorizing eligible businesses to transfer unused
 credits; providing requirements and limitations; amending
 s. 290.016, F.S.; extending the expiration date of the
 Florida Enterprise Zone Act of 1994; providing an
 effective date.

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

Section 1. (1) Notwithstanding any provision of ss.
290.001-290.016, Florida Statutes, the Office of Tourism, Trade,
and Economic Development may approve any request to amend the
boundaries of an enterprise zone created or recertified after
September 1, 2005. Boundary amendments authorized pursuant to
this subsection are subject to the following requirements:

(a) The amendment shall not increase the overall size of
the zone beyond 20 square miles.

27 (b) The amendment shall be consistent with the rationale
28 for the establishment of the enterprise zone as provided in s.
29 290.0058.

30 (c) The local enterprise zone development agency shall
31 request the amendment from the Office of Tourism, Trade, and
32 Economic Development. The request must contain maps and
33 sufficient information to allow the office to determine the
34 number of noncontiguous areas and the total enterprise zone
35 size. The request must also contain the justification for
36 changing the existing enterprise zone boundaries.

37 (d) The office shall have 30 days to review and act upon
38 the boundary amendment request.

39 (2) All enterprise zones existing as of December 31, 2004,
40 may submit a letter requesting recertification of the existing
41 enterprise zone to the Office of Tourism, Trade, and Economic
42 Development by September 1, 2005. No reasonable request for
43 recertification shall be denied. Such request shall include:

44 (a) A description of the progress made within the zone as
45 measured against the existing strategic plan.

46 (b) A map of the zone.

47 (c) A statement of the goals for the next calendar year,
48 including, but not limited to, the number of new jobs, housing
49 starts, and infrastructure projects and new capital investment.

50 (d) A narrative description of the zone with address
51 ranges.

52 Section 2. Paragraph (h) of subsection (5) of section
53 212.08, Florida Statutes, is amended to read:

54 212.08 Sales, rental, use, consumption, distribution, and
 55 storage tax; specified exemptions.--The sale at retail, the
 56 rental, the use, the consumption, the distribution, and the
 57 storage to be used or consumed in this state of the following
 58 are hereby specifically exempt from the tax imposed by this
 59 chapter.

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

61 (h) Business property used in an enterprise zone.--

62 1. Business property purchased for use by businesses
 63 located in an enterprise zone which is subsequently used in an
 64 enterprise zone shall be exempt from the tax imposed by this
 65 chapter. This exemption inures to the business only through a
 66 refund of previously paid taxes. A refund shall be authorized
 67 upon an affirmative showing by the taxpayer to the satisfaction
 68 of the department that the requirements of this paragraph have
 69 been met.

70 2. To receive a refund, the business must file under oath
 71 with the governing body or enterprise zone development agency
 72 having jurisdiction over the enterprise zone where the business
 73 is located, as applicable, an application which includes:

74 a. The name and address of the business claiming the
 75 refund.

76 b. The identifying number assigned pursuant to s. 290.0065
 77 to the enterprise zone in which the business is located.

78 c. A specific description of the property for which a
 79 refund is sought, including its serial number or other permanent
 80 identification number.

81 d. The location of the property.

82 e. The sales invoice or other proof of purchase of the
83 property, showing the amount of sales tax paid, the date of
84 purchase, and the name and address of the sales tax dealer from
85 whom the property was purchased.

86 f. Whether the business is a small business as defined by
87 s. 288.703(1).

88 g. If applicable, the name and address of each permanent
89 employee of the business, including, for each employee who is a
90 resident of an enterprise zone, the identifying number assigned
91 pursuant to s. 290.0065 to the enterprise zone in which the
92 employee resides.

93 3. Within 10 working days after receipt of an application,
94 the governing body or enterprise zone development agency shall
95 review the application to determine if it contains all the
96 information required pursuant to subparagraph 2. and meets the
97 criteria set out in this paragraph. The governing body or agency
98 shall certify all applications that contain the information
99 required pursuant to subparagraph 2. and meet the criteria set
100 out in this paragraph as eligible to receive a refund. If
101 applicable, the governing body or agency shall also certify if
102 20 percent of the employees of the business are residents of an
103 enterprise zone, excluding temporary and part-time employees.
104 The certification shall be in writing, and a copy of the
105 certification shall be transmitted to the executive director of
106 the Department of Revenue. The business shall be responsible for
107 forwarding a certified application to the department within the
108 time specified in subparagraph 4.

109 4. An application for a refund pursuant to this paragraph
110 must be submitted to the department within 6 months after the
111 tax is due on the business property that is purchased.

112 5. The provisions of s. 212.095 do not apply to any refund
113 application made pursuant to this paragraph. The amount refunded
114 on purchases of business property under this paragraph shall be
115 the lesser of 97 percent of the sales tax paid on such business
116 property or \$500 ~~\$5,000~~, or, if no less than 20 percent of the
117 employees of the business are residents of an enterprise zone,
118 excluding temporary and part-time employees, the amount refunded
119 on purchases of business property under this paragraph shall be
120 the lesser of 97 percent of the sales tax paid on such business
121 property or \$1,000 ~~\$10,000~~. A refund approved pursuant to this
122 paragraph shall be made within 30 days of formal approval by the
123 department of the application for the refund. No refund shall be
124 granted under this paragraph unless the amount to be refunded
125 exceeds \$100 in sales tax paid on purchases made within a 60-day
126 time period.

127 6. The department shall adopt rules governing the manner
128 and form of refund applications and may establish guidelines as
129 to the requisites for an affirmative showing of qualification
130 for exemption under this paragraph.

131 7. If the department determines that the business property
132 is used outside an enterprise zone within 3 years from the date
133 of purchase, the amount of taxes refunded to the business
134 purchasing such business property shall immediately be due and
135 payable to the department by the business, together with the
136 appropriate interest and penalty, computed from the date of

137 purchase, in the manner provided by this chapter.

138 Notwithstanding this subparagraph, business property used
 139 exclusively in:

- 140 a. Licensed commercial fishing vessels,
- 141 b. Fishing guide boats, or
- 142 c. Ecotourism guide boats

143
 144 that leave and return to a fixed location within an area
 145 designated under s. 370.28 are eligible for the exemption
 146 provided under this paragraph if all requirements of this
 147 paragraph are met. Such vessels and boats must be owned by a
 148 business that is eligible to receive the exemption provided
 149 under this paragraph. This exemption does not apply to the
 150 purchase of a vessel or boat.

151 8. The department shall deduct an amount equal to 10
 152 percent of each refund granted under the provisions of this
 153 paragraph from the amount transferred into the Local Government
 154 Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20
 155 for the county area in which the business property is located
 156 and shall transfer that amount to the General Revenue Fund.

157 9. For the purposes of this exemption, "business property"
 158 means new or used property defined as "recovery property" in s.
 159 168(c) of the Internal Revenue Code of 1954, as amended, except:

- 160 a. Property classified as 3-year property under s.
 161 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;
- 162 b. Industrial machinery and equipment as defined in sub-
 163 subparagraph (b)6.a. and eligible for exemption under paragraph
 164 (b);

165 c. Building materials as defined in sub-subparagraph
 166 (g)8.a.; and

167 d. Business property having a sales price of under \$500
 168 ~~\$5,000~~ per unit.

169 10. The provisions of this paragraph shall expire and be
 170 void on December 31, 2005.

171 Section 3. Subsection (9) is added to section 290.007,
 172 Florida Statutes, to read:

173 290.007 State incentives available in enterprise
 174 zones.--The following incentives are provided by the state to
 175 encourage the revitalization of enterprise zones:

176 (9) An eligible business may transfer any unused credit in
 177 whole or in units of no less than 25 percent of the remaining
 178 credit. The entity acquiring such credit may use the credit in
 179 the same manner and with the same limitation as described in ss.
 180 212.096 and 220.181. Such transferred credits may not be
 181 transferred again but may succeed to a surviving or acquiring
 182 entity subject to the same conditions and limitations described
 183 in this section.

184 Section 4. Section 290.016, Florida Statutes, is amended
 185 to read:

186 290.016 Repeal.--Sections 290.001-290.015 shall stand
 187 repealed on December 31, 2015 ~~2005~~.

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