

1 Section 1. Tax refund program for hiring a person who
2 is an at-risk, inner-city youth.--

3 (1) DEFINITIONS.--As used in this section, the term:

4 (a) "At-risk, inner-city youth" means an individual
5 who is at least 13 years of age but younger than 22 years of
6 age, who lives in the central part of a municipality in an
7 area characterized by crowded neighborhoods the residents of
8 which are low-income, predominantly minority groups, and who
9 is either failing in school or living in a single-parent home.

10 (b) "Business" means an employing unit, as defined in
11 s. 443.036, Florida Statutes, which is registered for
12 unemployment compensation purposes with the state agency
13 providing unemployment tax collection services under contract
14 with the Agency for Workforce Innovation through an
15 interagency agreement under s. 443.1316, Florida Statutes, or
16 a subcategory or division of an employing unit which is
17 accepted as a reporting unit by the state agency providing
18 unemployment tax collection services.

19 (c) "Department" means the Department of Revenue.

20 (d) "Eligible employee" means a person who is an
21 at-risk, inner-city youth and who:

- 22 1. Was hired after July 1, 2006;
23 2. Works at least 80 hours per month; and
24 3. Earns a salary that exceeds the federal minimum
25 wage.

26 (e) "Fiscal year" means the fiscal year of the state.

27 (f) "Qualified business" means a business that has
28 been approved by the department to receive a tax refund as
29 provided in subsection (3).

30 (2) TAX REFUND; ELIGIBLE AMOUNTS.--

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1 (a) A business that hires an at-risk, inner-city youth
2 may receive a refund of eligible taxes certified by the
3 department which were paid by the business.

4 (b) The refund shall be equal to 20 percent of the
5 portion of the actual monthly wages paid in this state to each
6 eligible employee which exceeds the federal minimum wage. The
7 refund under this paragraph, however, may not exceed \$6,000
8 per eligible employee per fiscal year.

9 (c) Notwithstanding paragraph (b), a business may
10 receive an additional refund equal to \$70 per month for each
11 eligible employee who is covered by a health insurance plan
12 offered by the business.

13 (d) A business may claim a refund for any month during
14 which an eligible employee is employed by the business, except
15 that an eligible employee may not serve as the basis for
16 receipt of refunds for more than 24 cumulative months.

17 (e) A business may claim refunds for a total of no
18 more than five eligible employees.

19 (f) A business may receive refunds for the following
20 taxes due and paid by that business in the fiscal year
21 immediately preceding the date the business submits an
22 application for a tax refund under subsection (3):

23 1. Corporate income taxes under chapter 220, Florida
24 Statutes.

25 2. Insurance premium tax under s. 624.509, Florida
26 Statutes.

27 3. Taxes on sales, use, and other transactions under
28 chapter 212, Florida Statutes.

29 4. Intangible personal property taxes under chapter
30 199, Florida Statutes.

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1 5. Emergency excise taxes under chapter 221, Florida
2 Statutes.

3 6. Excise taxes on documents under chapter 201,
4 Florida Statutes.

5 7. Ad valorem taxes paid, as defined in s. 220.03(1),
6 Florida Statutes.

7 (g) A business may not receive a refund under this
8 section for any amount of credit, refund, or exemption granted
9 to that business for any of the taxes enumerated in paragraph
10 (f). If a refund for such taxes is provided by the department,
11 which taxes are subsequently adjusted by the application of
12 any credit, refund, or exemption granted to the qualified
13 business other than as provided in this section, the business
14 shall reimburse the department for the amount of that credit,
15 refund, or exemption. A qualified business shall notify and
16 tender payment to the department within 20 days after
17 receiving the credit, refund, or exemption. Any payment
18 received by the department under this paragraph shall be
19 deposited in the General Revenue Fund.

20 (h) A business that fraudulently claims a refund under
21 this section:

22 1. Is liable for repayment of the amount of the
23 refund, plus a mandatory penalty in the amount of 200 percent
24 of the tax refund, which shall be deposited into the General
25 Revenue Fund.

26 2. Commits a felony of the third degree, punishable as
27 provided in s. 775.082, s. 775.083, or s. 775.084, Florida
28 Statutes.

29 (i) A tax refund provided under this section may not
30 exceed the amount of the tax which is the basis for the refund
31 and which was due and paid by the eligible business in the

1 fiscal year immediately preceding the date the business
2 submits an application for a tax refund under subsection (3).

3 (3) CLAIM FOR REFUND; APPROVAL.--

4 (a) To claim a tax refund under this section, a
5 business may apply beginning August 1 to the department for a
6 refund to be paid from a specific appropriation made by the
7 Legislature for the payment of refunds during that fiscal
8 year. A business may apply for a refund monthly or may
9 aggregate claims for more than 1 month.

10 (b) The claim for a refund by the business must
11 include:

12 1. A copy of all receipts pertaining to the payment of
13 taxes for which the refund is sought;

14 2. Documentation, in a form and manner prescribed by
15 the department, which demonstrates that an eligible employee
16 is the basis for the refund;

17 3. Documentation, if applicable, in a form and manner
18 prescribed by the department, which demonstrates that the
19 eligible employee who is the basis for the refund is covered
20 by the health insurance plan of the business in a manner that
21 satisfies paragraph (2)(c); and

22 4. A certification by the business, in a form and
23 manner prescribed by the department, that no employee was
24 terminated without cause in order to hire an at-risk,
25 inner-city youth and claim a refund under this section.

26 (c) The department, with such assistance as may be
27 required from the Department of Education or the Agency for
28 Workforce Innovation, shall review each claim for a refund in
29 the order received and specify by written order, within 60
30 days after receipt of the claim application, the approval or
31 disapproval of the claim for a refund and, if approved, the

1 amount of the tax refund which is authorized to be paid to the
2 qualified business. The department shall verify that the
3 employee is an at-risk, inner-city youth and shall verify the
4 payment of taxes for which the refund is sought. The Agency
5 for Workforce Innovation shall verify the employment status
6 and wages of the eligible employee.

7 (d) This section does not create a presumption that an
8 approved claim for a tax refund under this section will be
9 paid to a qualified business.

10 1. Tax refunds under this section are subject to
11 appropriation by the Legislature, and such refunds shall be
12 paid on a first-come, first-served basis, according to the
13 order in which the department approves the claims submitted
14 during that fiscal year.

15 2. If sufficient funds are not available for the
16 payment of an approved refund claim in one fiscal year, the
17 qualified business must forego the claim for payment in that
18 fiscal year but may resubmit a claim in a subsequent fiscal
19 year based on the same eligible employee if the employee has
20 not been the basis for the receipt of refunds for more than 24
21 cumulative months.

22 3. If the department denies a claim for a tax refund
23 under this section and the denial is upheld on appeal, the
24 business must forego that claim.

25 (e) Upon approval of the claim for a tax refund, and
26 if sufficient funds are available for payment of the claim,
27 the Chief Financial Officer shall issue a warrant for the
28 amount specified in the written order. If the written order is
29 appealed, the Chief Financial Officer may not issue a warrant
30 for a refund to the qualified business until the conclusion of
31 all appeals of the order.

1 (f) The total amount of refunds approved and paid in a
2 fiscal year may not exceed the amount appropriated by the
3 Legislature for the payment of refunds for that fiscal year.

4 (4) ADMINISTRATION.--

5 (a) The Agency for Workforce Innovation shall, upon
6 request of the department:

7 1. Verify information provided in any claim submitted
8 for tax refunds under this section with regard to employment
9 and wage levels or the payment of the taxes to the appropriate
10 agency or authority, including the Department of Revenue, the
11 Agency for Workforce Innovation, or any local government or
12 authority.

13 2. Assist in monitoring jobs, wages, and the payment
14 of the taxes listed in subsection (2).

15 (b) By January 1 of each year, the department shall
16 provide an estimate to the Legislature of the amount necessary
17 to satisfy anticipated claims for refunds in the next fiscal
18 year, based on the experience of the department in
19 administering the program and based on activity levels under
20 the program.

21 (c) Funds specifically appropriated for the tax refund
22 program under this section may not be used for any purpose
23 other than the payment of tax refunds authorized by this
24 section.

25 (d) The department may adopt rules under ss.
26 120.536(1) and 120.54, Florida Statutes, to administer this
27 section, including, but not limited to, rules defining terms
28 used in this section and rules specifying the forms and
29 procedures for calculating and claiming refunds; the
30 procedures and criteria for reviewing refund claims, verifying
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1 data related to refund claims, and approving claims; and the
2 procedures for paying refund claims.

3 (5) EXPIRATION.--This section expires June 30, 2012.

4 Section 2. The sum of _____ is appropriated from the
5 General Revenue Fund to the Department of Revenue for the
6 payment of refunds during the 2006-2007 fiscal year under the
7 tax refund program for hiring an at-risk, inner-city youth as
8 created by this act.

9 Section 3. This act shall take effect July 1, 2006.

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12 SENATE SUMMARY

13 Provides for tax refunds to be made to businesses for
14 hiring at-risk, inner-city youths. Defines terms.
15 Prescribes how the amount of such refunds must be
16 calculated. Establishes limits on the amount of the
17 refunds. Authorizes additional refunds for offering
18 employee health insurance. Prescribes taxes that may be
19 refunded. Provides criminal penalties for fraudulent
20 refund claims. Provides for the repayment of fraudulently
21 granted refunds plus penalties. Provides timeframes and
22 procedures for claiming the refunds. Specifies
23 information that must be submitted to support refund
24 claims. Provides for the review and approval of
25 applications for refunds. Provides for interagency
26 cooperation. Specifies that refunds are subject to
27 legislative appropriation. Provides for the Chief
28 Financial Officer to issue warrants to pay the refunds.
29 Requires the Department of Revenue to provide the
30 Legislature with an estimated amount of such refunds.
31 Authorizes the department to adopt rules. Provides for
the expiration of the refund program. Provides an
appropriation.