

FOR CONSIDERATION By the Committee on Transportation and Economic Development Appropriations

606-587-06

1 A bill to be entitled
2 An act relating to the community contribution
3 tax credit program; amending s. 212.08, F.S.;
4 providing separate annual limitations for tax
5 credits against the sales and use tax for
6 donations made to eligible sponsors for
7 projects that provides homeownership
8 opportunities for certain households and for
9 donations made to eligible sponsors for all
10 other projects; eliminating the requirement
11 that the Office of Tourism, Trade, and Economic
12 Development reserve portions of certain annual
13 tax credits for donations made to eligible
14 sponsors for projects that provide
15 homeownership opportunities for certain
16 households; amending s. 220.183, F.S.;
17 providing separate annual limitations for tax
18 credits against the corporate income tax for
19 donations made to eligible sponsors for
20 projects that provide homeownership
21 opportunities for certain households and for
22 donations made to eligible sponsors for all
23 other projects; eliminating the requirement
24 that the Office of Tourism, Trade, and Economic
25 Development reserve portions of certain annual
26 tax credits for donations made to eligible
27 sponsors for projects that provide
28 homeownership opportunities for certain
29 households; amending s. 624.5105, F.S.;
30 providing separate annual limitations for tax
31 credits against the insurance premium tax for

1 donations made to eligible sponsors for
2 projects that provide homeownership
3 opportunities for certain households and for
4 donations made to eligible sponsors for all
5 other projects; eliminating the requirement
6 that the Office of Tourism, Trade, and Economic
7 Development reserve portions of certain annual
8 tax credits for donations made to eligible
9 sponsors for projects that provide
10 homeownership opportunities for certain
11 households; providing an effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Paragraph (q) of subsection (5) of section
16 212.08, Florida Statutes, is amended to read:

17 212.08 Sales, rental, use, consumption, distribution,
18 and storage tax; specified exemptions.--The sale at retail,
19 the rental, the use, the consumption, the distribution, and
20 the storage to be used or consumed in this state of the
21 following are hereby specifically exempt from the tax imposed
22 by this chapter.

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

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

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

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

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

13 c. A person may not receive more than \$200,000 in
14 annual tax credits for all approved community contributions
15 made in any one year;

16 d. All proposals for the granting of the tax credit
17 require the prior approval of the Office of Tourism, Trade,
18 and Economic Development;

19 e. The total amount of tax credits which may be
20 granted for all programs approved under this paragraph, s.
21 220.183, and s. 624.5105 is ~~\$8\$12~~ million annually for
22 projects that provide homeownership opportunities for
23 low-income or very-low-income households as defined in s.
24 420.9071(19) and (28), and \$4 million annually for all other
25 projects; and

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

30 2. Eligibility requirements.--

31

1 a. A community contribution by a person must be in the
2 following form:

3 (I) Cash or other liquid assets;

4 (II) Real property;

5 (III) Goods or inventory; or

6 (IV) Other physical resources as identified by the
7 Office of Tourism, Trade, and Economic Development.

8 b. All community contributions must be reserved
9 exclusively for use in a project. As used in this
10 sub-subparagraph, the term "project" means any activity
11 undertaken by an eligible sponsor which is designed to
12 construct, improve, or substantially rehabilitate housing that
13 is affordable to low-income or very-low-income households as
14 defined in s. 420.9071(19) and (28); designed to provide
15 commercial, industrial, or public resources and facilities; or
16 designed to improve entrepreneurial and job-development
17 opportunities for low-income persons. A project may be the
18 investment necessary to increase access to high-speed
19 broadband capability in rural communities with enterprise
20 zones, including projects that result in improvements to
21 communications assets that are owned by a business. A project
22 may include the provision of museum educational programs and
23 materials that are directly related to any project approved
24 between January 1, 1996, and December 31, 1999, and located in
25 an enterprise zone designated pursuant to s. 290.0065. This
26 paragraph does not preclude projects that propose to construct
27 or rehabilitate housing for low-income or very-low-income
28 households on scattered sites. With respect to housing,
29 contributions may be used to pay the following eligible
30 low-income and very-low-income housing-related activities:
31

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) For the first 6 months of the fiscal year, the~~
30 ~~Office of Tourism, Trade, and Economic Development shall~~
31 ~~reserve 80 percent of the first \$10 million in available~~

1 ~~annual tax credits and 70 percent of any available annual tax~~
2 ~~credits in excess of \$10 million for donations made to~~
3 ~~eligible sponsors for projects that provide homeownership~~
4 ~~opportunities for low income or very low income households as~~
5 ~~defined in s. 420.9071(19) and (28). If any such reserved~~
6 ~~annual tax credits remain after the first 6 months of the~~
7 ~~fiscal year, the office may approve the balance of these~~
8 ~~available credits for donations made to eligible sponsors for~~
9 ~~projects other than those that provide homeownership~~
10 ~~opportunities for low income or very low income households.~~

11 ~~(II) For the first 6 months of the fiscal year, the~~
12 ~~office shall reserve 20 percent of the first \$10 million in~~
13 ~~available annual tax credits and 30 percent of any available~~
14 ~~annual tax credits in excess of \$10 million for donations made~~
15 ~~to eligible sponsors for projects other than those that~~
16 ~~provide homeownership opportunities for low income or~~
17 ~~very low income households as defined in s. 420.9071(19) and~~
18 ~~(28). If any reserved annual tax credits remain after the~~
19 ~~first 6 months of the fiscal year, the office may approve the~~
20 ~~balance of these available credits for donations made to~~
21 ~~eligible sponsors for projects that provide homeownership~~
22 ~~opportunities for low income or very low income households.~~

23 ~~(I)(III)~~ If, during the first 10 business days of the
24 state fiscal year, eligible tax credit applications for
25 projects that provide homeownership opportunities for
26 low-income or very-low-income households as defined in s.
27 420.9071(19) and (28) are received for less than the ~~available~~
28 annual tax credits available for those projects reserved under
29 ~~sub-sub-subparagraph (I)~~, the office shall grant tax credits
30 for those applications and shall grant remaining tax credits
31 on a first-come, first-served basis for any subsequent

1 eligible applications received before the end of the ~~first 6~~
2 ~~months of the~~ state fiscal year. If, during the first 10
3 business days of the state fiscal year, eligible tax credit
4 applications for projects that provide homeownership
5 opportunities for low-income or very-low-income households as
6 defined in s. 420.9071(19) and (28) are received for more than
7 the ~~available~~ annual tax credits available for those projects
8 ~~reserved under sub sub subparagraph (I)~~, the office shall
9 grant the tax credits for those ~~the~~ 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, ~~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 ~~under sub sub subparagraph~~
20 ~~(I)~~, and the remaining credits shall be granted to each
21 approved tax credit application on a pro rata basis.

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

30 ~~(II)(IV)~~ If, during the first 10 business days of the
31 state fiscal year, eligible tax credit applications for

1 projects other than those that provide homeownership
2 opportunities for low-income or very-low-income households as
3 defined in s. 420.9071(19) and (28) are received for less than
4 the ~~available~~ annual tax credits available for those projects
5 ~~reserved under sub sub subparagraph (II)~~, the office shall
6 grant tax credits for those applications and shall grant
7 remaining tax credits on a first-come, first-served basis for
8 any subsequent eligible applications received before the end
9 of the ~~first 6 months of the~~ state fiscal year. If, during the
10 first 10 business days of the state fiscal year, eligible tax
11 credit applications for projects other than those that provide
12 homeownership opportunities for low-income or very-low-income
13 households as defined in s. 420.9071(19) and (28) are received
14 for more than the ~~available~~ annual tax credits available for
15 those projects reserved under sub sub subparagraph (II), the
16 office shall grant the tax credits for the applications on a
17 pro rata basis. ~~If, after the first 6 months of the fiscal~~
18 ~~year, additional credits become available under~~
19 ~~sub sub subparagraph (I), the office shall grant the tax~~
20 ~~credits by first granting to those who received a pro rata~~
21 ~~reduction up to the full amount of their request and, if there~~
22 ~~are remaining credits, granting credits to those who applied~~
23 ~~on or after the 11th business day of the state fiscal year on~~
24 ~~a first come, first served basis.~~

25 3. Application requirements.--

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

1 contain a resolution from the local governmental unit in which
2 the project is located certifying that the project is
3 consistent with local plans and regulations.

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

15 c. Any person who has received notification from the
16 Office of Tourism, Trade, and Economic Development that a tax
17 credit has been approved must apply to the department to
18 receive the refund. Application must be made on the form
19 prescribed for claiming refunds of sales and use taxes and be
20 accompanied by a copy of the notification. A person may submit
21 only one application for refund to the department within any
22 12-month period.

23 4. Administration.--

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

28 b. The decision of the Office of Tourism, Trade, and
29 Economic Development must be in writing, and, if approved, the
30 notification shall state the maximum credit allowable to the
31

1 person. Upon approval, the office shall transmit a copy of the
2 decision to the Department of Revenue.

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

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

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

19 Section 2. Subsections (1) and (2) of section 220.183,
20 Florida Statutes, are amended to read:

21 220.183 Community contribution tax credit.--

22 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
23 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
24 SPENDING.--

25 (a) There shall be allowed a credit of 50 percent of a
26 community contribution against any tax due for a taxable year
27 under this chapter.

28 (b) No business firm shall receive more than \$200,000
29 in annual tax credits for all approved community contributions
30 made in any one year.

31

1 (c) The total amount of tax credit which may be
2 granted for all programs approved under this section, s.
3 212.08(5)(q), and s. 624.5105 is ~~\$8~~\$12 million annually for
4 projects that provide homeownership opportunities for
5 low-income or very-low-income households as defined in s.
6 420.9071(19) and (28), and \$4 million annually for all other
7 projects.

8 (d) All proposals for the granting of the tax credit
9 shall require the prior approval of the Office of Tourism,
10 Trade, and Economic Development.

11 (e) If the credit granted pursuant to this section is
12 not fully used in any one year because of insufficient tax
13 liability on the part of the business firm, the unused amount
14 may be carried forward for a period not to exceed 5 years. The
15 carryover credit may be used in a subsequent year when the tax
16 imposed by this chapter for such year exceeds the credit for
17 such year under this section after applying the other credits
18 and unused credit carryovers in the order provided in s.
19 220.02(8).

20 (f) A taxpayer who files a Florida consolidated return
21 as a member of an affiliated group pursuant to s. 220.131(1)
22 may be allowed the credit on a consolidated return basis.

23 (g) A taxpayer who is eligible to receive the credit
24 provided for in s. 624.5105 is not eligible to receive the
25 credit provided by this section.

26 (2) ELIGIBILITY REQUIREMENTS.--

27 (a) All community contributions by a business firm
28 shall be in the form specified in s. 220.03(1)(d).

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

31

1 ~~2. For the first 6 months of the fiscal year, the~~
2 ~~Office of Tourism, Trade, and Economic Development shall~~
3 ~~reserve 80 percent of the first \$10 million in available~~
4 ~~annual tax credits, and 70 percent of any available annual tax~~
5 ~~credits in excess of \$10 million, for donations made to~~
6 ~~eligible sponsors for projects that provide homeownership~~
7 ~~opportunities for low income or very low income households as~~
8 ~~defined in s. 420.9071(19) and (28). If any reserved annual~~
9 ~~tax credits remain after the first 6 months of the fiscal~~
10 ~~year, the office may approve the balance of these available~~
11 ~~credits for donations made to eligible sponsors for projects~~
12 ~~other than those that provide homeownership opportunities for~~
13 ~~low income or very low income households.~~

14 ~~3. For the first 6 months of the fiscal year, the~~
15 ~~office shall reserve 20 percent of the first \$10 million in~~
16 ~~available annual tax credits, and 30 percent of any available~~
17 ~~annual tax credits in excess of \$10 million, for donations~~
18 ~~made to eligible sponsors for projects other than those that~~
19 ~~provide homeownership opportunities for low income or~~
20 ~~very low income households as defined in s. 420.9071(19) and~~
21 ~~(28). If any reserved annual tax credits remain after the~~
22 ~~first 6 months of the fiscal year, the office may approve the~~
23 ~~balance of these available credits for donations made to~~
24 ~~eligible sponsors for projects that provide homeownership~~
25 ~~opportunities for low income or very low income households.~~

26 ~~2.4.~~ If, during the first 10 business days of the
27 state fiscal year, eligible tax credit applications for
28 projects that provide homeownership opportunities for
29 low-income or very-low-income households as defined in s.
30 420.9071(19) and (28) are received for less than the available
31 annual tax credits available for those projects reserved under

1 ~~subparagraph 2.~~, the office shall grant tax credits for those
2 applications and shall grant remaining tax credits on a
3 first-come, first-served basis for any subsequent eligible
4 applications received before the end of the ~~first 6 months of~~
5 ~~the~~ state fiscal year. If, during the first 10 business days
6 of the state fiscal year, eligible tax credit applications for
7 projects that provide homeownership opportunities for
8 low-income or very-low-income households as defined in s.
9 420.9071(19) and (28) are received for more than the ~~available~~
10 annual tax credits available for those projects reserved under
11 ~~subparagraph 2.~~, the office shall grant the tax credits for
12 such applications as follows:

13 a. If tax credit applications submitted for approved
14 projects of an eligible sponsor do not exceed \$200,000 in
15 total, the credit shall be granted in full if the tax credit
16 applications are approved, ~~subject to the provisions of~~
17 ~~subparagraph 2.~~

18 b. If tax credit applications submitted for approved
19 projects of an eligible sponsor exceed \$200,000 in total, the
20 amount of tax credits granted under sub-subparagraph a. shall
21 be subtracted from the amount of available tax credits ~~under~~
22 ~~subparagraph 2.~~, and the remaining credits shall be granted to
23 each approved tax credit application on a pro rata basis.

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

1 ~~3.5-~~ If, during the first 10 business days of the
2 state fiscal year, eligible tax credit applications for
3 projects other than those that provide homeownership
4 opportunities for low-income or very-low-income households as
5 defined in s. 420.9071(19) and (28) are received for less than
6 the ~~available~~ annual tax credits available for those projects
7 ~~reserved under subparagraph 3.~~, the office shall grant tax
8 credits for those applications and shall grant remaining tax
9 credits on a first-come, first-served basis for any subsequent
10 eligible applications received before the end of the ~~first 6~~
11 ~~months of the~~ state fiscal year. If, during the first 10
12 business days of the state fiscal year, eligible tax credit
13 applications for projects other than those that provide
14 homeownership opportunities for low-income or very-low-income
15 households as defined in s. 420.9071(19) and (28) are received
16 for more than the ~~available~~ annual tax credits available for
17 those projects reserved under subparagraph 3., the office
18 shall grant the tax credits for such applications on a pro
19 rata basis. ~~If, after the first 6 months of the fiscal year,~~
20 ~~additional credits become available under subparagraph 2., the~~
21 ~~office shall grant the tax credits by first granting to those~~
22 ~~who received a pro rata reduction up to the full amount of~~
23 ~~their request and, if there are remaining credits, granting~~
24 ~~credits to those who applied on or after the 11th business day~~
25 ~~of the state fiscal year on a first come, first served basis.~~

26 (c) The project must be undertaken by an "eligible
27 sponsor," defined here as:

- 28 1. A community action program;
- 29 2. A nonprofit community-based development
30 organization whose mission is the provision of housing for
31 low-income or very-low-income households or increasing

1 | entrepreneurial and job-development opportunities for
2 | low-income persons;
3 | 3. A neighborhood housing services corporation;
4 | 4. A local housing authority, created pursuant to
5 | chapter 421;
6 | 5. A community redevelopment agency, created pursuant
7 | to s. 163.356;
8 | 6. The Florida Industrial Development Corporation;
9 | 7. An historic preservation district agency or
10 | organization;
11 | 8. A regional workforce board;
12 | 9. A direct-support organization as provided in s.
13 | 1009.983;
14 | 10. An enterprise zone development agency created
15 | pursuant to s. 290.0056;
16 | 11. A community-based organization incorporated under
17 | chapter 617 which is recognized as educational, charitable, or
18 | scientific pursuant to s. 501(c)(3) of the Internal Revenue
19 | Code and whose bylaws and articles of incorporation include
20 | affordable housing, economic development, or community
21 | development as the primary mission of the corporation;
22 | 12. Units of local government;
23 | 13. Units of state government; or
24 | 14. Such other agency as the Office of Tourism, Trade,
25 | and Economic Development may, from time to time, designate by
26 | rule.
27 |
28 | In no event shall a contributing business firm have a
29 | financial interest in the eligible sponsor.
30 | (d) The project shall be located in an area designated
31 | as an enterprise zone or a Front Porch Florida Community

1 pursuant to s. 20.18(6). Any project designed to construct or
2 rehabilitate housing for low-income or very-low-income
3 households as defined in s. 420.9071(19) and (28) is exempt
4 from the area requirement of this paragraph. This section does
5 not preclude projects that propose to construct or
6 rehabilitate housing for low-income or very-low-income
7 households on scattered sites. Any project designed to provide
8 increased access to high-speed broadband capabilities which
9 includes coverage of a rural enterprise zone may locate the
10 project's infrastructure in any area of a rural county.

11 Section 3. Subsections (1) and (2) of section
12 624.5105, Florida Statutes, are amended to read:

13 624.5105 Community contribution tax credit;
14 authorization; limitations; eligibility and application
15 requirements; administration; definitions; expiration.--

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

17 (a) There shall be allowed a credit of 50 percent of a
18 community contribution against any tax due for a calendar year
19 under s. 624.509 or s. 624.510.

20 (b) No insurer shall receive more than \$200,000 in
21 annual tax credits for all approved community contributions
22 made in any one year.

23 (c) The total amount of tax credit which may be
24 granted for all programs approved under this section and ss.
25 212.08(5)(q) and 220.183 is ~~\$8\$12~~ million annually for
26 projects that provide homeownership opportunities for
27 low-income or very-low-income households as defined in s.
28 420.9071(19) and (28), and \$4 million annually for all other
29 projects.

30 (d) Each proposal for the granting of such tax credit
31 requires the prior approval of the director.

1 (e) If the credit granted pursuant to this section is
2 not fully used in any one year because of insufficient tax
3 liability on the part of the insurer, the unused amount may be
4 carried forward for a period not to exceed 5 years. The
5 carryover credit may be used in a subsequent year when the tax
6 imposed by s. 624.509 or s. 624.510 for such year exceeds the
7 credit under this section for such year.

8 (f) An insurer that claims a credit against
9 premium-tax liability earned by making a community
10 contribution under this section need not pay any additional
11 retaliatory tax levied under s. 624.5091 as a result of
12 claiming such a credit. Section 624.5091 does not limit such a
13 credit in any manner.

14 (2) ELIGIBILITY REQUIREMENTS.--

15 (a) Each community contribution by an insurer must be
16 in a form specified in subsection (5).

17 (b) Each community contribution must be reserved
18 exclusively for use in a project as defined in s.
19 220.03(1)(t).

20 (c) The project must be undertaken by an "eligible
21 sponsor," as defined in s. 220.183(2)(c). In no event shall a
22 contributing insurer have a financial interest in the eligible
23 sponsor.

24 (d) The project shall be located in an area designated
25 as an enterprise zone or a Front Porch Community pursuant to
26 s. 20.18(6). Any project designed to construct or rehabilitate
27 housing for low-income or very-low-income households as
28 defined in s. 420.9071(19) and (28) is exempt from the area
29 requirement of this paragraph.

30 ~~(e)1. For the first 6 months of the fiscal year, the~~
31 ~~Office of Tourism, Trade, and Economic Development shall~~

1 ~~reserve 80 percent of the first \$10 million in available~~
2 ~~annual tax credits, and 70 percent of any available annual tax~~
3 ~~credits in excess of \$10 million, for donations made to~~
4 ~~eligible sponsors for projects that provide homeownership~~
5 ~~opportunities for low income or very low income households as~~
6 ~~defined in s. 420.9071(19) and (28). If any such reserved~~
7 ~~annual tax credits remain after the first 6 months of the~~
8 ~~fiscal year, the office may approve the balance of these~~
9 ~~available credits for donations made to eligible sponsors for~~
10 ~~projects other than those that provide homeownership~~
11 ~~opportunities for low income or very low income households.~~

12 ~~2. For the first 6 months of the fiscal year, the~~
13 ~~office shall reserve 20 percent of the first \$10 million in~~
14 ~~available annual tax credits, and 30 percent of any available~~
15 ~~annual tax credits in excess of \$10 million, for donations~~
16 ~~made to eligible sponsors for projects other than those that~~
17 ~~provide homeownership opportunities for low income or~~
18 ~~very low income households as defined in s. 420.9071(19) and~~
19 ~~(28). If any reserved annual tax credits remain after the~~
20 ~~first 6 months of the fiscal year, the office may approve the~~
21 ~~balance of these available credits for donations made to~~
22 ~~eligible sponsors for projects that provide homeownership~~
23 ~~opportunities for low income or very low income households.~~

24 ~~1.3.~~ If, during the first 10 business days of the
25 state fiscal year, eligible tax credit applications for
26 projects that provide homeownership opportunities for
27 low-income or very-low-income households as defined in s.
28 420.9071(19) and (28) are received for less than the ~~available~~
29 annual tax credits available for those projects reserved under
30 ~~subparagraph 1.~~, the office shall grant tax credits for those
31 applications and shall grant remaining tax credits on a

1 first-come, first-served basis for any subsequent eligible
2 applications received before the end of the ~~first 6 months of~~
3 ~~the~~ state fiscal year. If, during the first 10 business days
4 of the state fiscal year, eligible tax credit applications for
5 projects that provide homeownership opportunities for
6 low-income or very-low-income households as defined in s.
7 420.9071(19) and (28) are received for more than the ~~available~~
8 annual tax credits available for those projects reserved under
9 ~~subparagraph 1.~~, the office shall grant the tax credits for
10 the applications as follows:

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

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 under sub-subparagraph a. shall
18 be subtracted from the amount of available tax credits ~~under~~
19 ~~subparagraph 1.~~, and the remaining credits shall be granted to
20 each approved tax credit application on a pro rata basis.

21 ~~c. If, after the first 6 months of the fiscal year,~~
22 ~~additional credits become available under subparagraph 2., the~~
23 ~~office shall grant the tax credits by first granting to those~~
24 ~~who received a pro rata reduction up to the full amount of~~
25 ~~their request and, if there are remaining credits, granting~~
26 ~~credits to those who applied on or after the 11th business day~~
27 ~~of the state fiscal year on a first come, first served basis.~~

28 2.4. If, during the first 10 business days of the
29 state fiscal year, eligible tax credit applications for
30 projects other than those that provide homeownership
31 opportunities for low-income or very-low-income households as

1 defined in s. 420.9071(19) and (28) are received for less than
2 the ~~available~~ annual tax credits available for those projects
3 ~~reserved under subparagraph 2.~~, the office shall grant tax
4 credits for those applications and shall grant remaining tax
5 credits on a first-come, first-served basis for any subsequent
6 eligible applications received before the end of the ~~first 6~~
7 ~~months of the~~ state fiscal year. If, during the first 10
8 business days of the state fiscal year, eligible tax credit
9 applications for projects other than those that provide
10 homeownership opportunities for low-income or very-low-income
11 households as defined in s. 420.9071(19) and (28) are received
12 for more than the ~~available~~ annual tax credits available for
13 those projects reserved under subparagraph 2., the office
14 shall grant the tax credits for those ~~the~~ applications on a
15 pro rata basis. ~~If, after the first 6 months of the fiscal~~
16 ~~year, additional credits become available under subparagraph~~
17 ~~1., the office shall grant the tax credits by first granting~~
18 ~~to those who received a pro rata reduction up to the full~~
19 ~~amount of their request and, if there are remaining credits,~~
20 ~~granting credits to those who applied on or after the 11th~~
21 ~~business day of the state fiscal year on a first come,~~
22 ~~first served basis.~~

23 Section 4. This act shall take effect July 1, 2006.

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25 *****

26 SENATE SUMMARY

27 Revises the program that provides tax credits against the
28 sales and use tax, the corporate income tax, and the
29 insurance premium tax for a community contribution.
30 Provides an annual limitation for each tax-credit program
31 of \$8 million for projects that provide homeownership
opportunities for low-income or very-low-income
households and \$4 million for all other projects. (See
bill for details.)