

A bill to be entitled

An act relating to the corporate income tax; amending s. 220.02, F.S.; revising the list of application of corporate income tax credits; creating s. 220.1875, F.S.; providing a purpose; providing definitions; providing for a corporate income tax credit for contributions for medical care for indigent persons; providing for contributions to the Health Care Clinic Indigent Care Trust Fund for certain purposes; providing requirements, procedures, and limitations; providing an aggregate limit for the fund; providing for disbursements from the fund to certain health care clinics; providing requirements and limitations; requiring the Department of Revenue to adopt rules; providing for administration by a board of directors; providing for appointing board members; providing for terms and expenses; providing powers and duties of the board; requiring the board to report annually to the Governor; providing a contingent effective date.

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

Section 1. Subsection (8) of section 220.02, Florida Statutes, is amended to read:

220.02 Legislative intent.--

(8) It is the intent of the Legislature that credits against either the corporate income tax or the franchise tax be applied in the following order: those enumerated in s. 631.828,

29 those enumerated in s. 220.191, those enumerated in s. 220.181,
 30 those enumerated in s. 220.183, those enumerated in s. 220.182,
 31 those enumerated in s. 220.1895, those enumerated in s. 221.02,
 32 those enumerated in s. 220.184, those enumerated in s. 220.186,
 33 those enumerated in s. 220.1845, those enumerated in s. 220.19,
 34 those enumerated in s. 220.185, those enumerated in s. 220.187,
 35 those enumerated in s. 220.192, ~~and~~ those enumerated in s.
 36 220.193, and those enumerated in s. 220.1875.

37 Section 2. Section 220.1875, Florida Statutes, is created
 38 to read:

39 220.1875 Credits for contributions for medical care for
 40 indigent persons.--

41 (1) PURPOSE.--The purpose of this section is to provide
 42 corporate taxpayers a credit against corporate income taxes for
 43 contributions for qualifying health care clinics to provide
 44 medical care for indigent persons and to provide relief to
 45 qualifying health care clinics who provide a disproportionate
 46 share of medical care for indigent persons.

47 (2) DEFINITIONS.--For purposes of this section:

48 (a) "Board" means the board of directors of the fund.

49 (b) "Department" means the Department of Revenue.

50 (c) "Fund" means the Health Care Clinic Indigent Care
 51 Trust Fund created in s. 220.1876.

52 (d) "Health care clinic" means a clinic as defined in s.
 53 400.9905 or a Federal Qualified Health Center as defined in 42
 54 U.S.C. s. 1395x.

55 (e) "Charity care" means medical care provided to a person
 56 who has insufficient resources or assets to pay for such care

57 without using resources that are required to meet the person's
58 basic need for food, shelter, and clothing. A person may not be
59 considered eligible for charity care if the person's family
60 income, for the 12 months preceding the determination of his or
61 her financial status by the health care clinic, exceeds 150
62 percent of the federal poverty guidelines, unless the amount of
63 health care charges due from the person exceeds 25 percent of
64 annual family income. However, in no case shall medical care
65 provided by a health care clinic be considered charity care when
66 provided for a person whose family income exceeds four times the
67 federal poverty level for a family of four.

68 (3) CONTRIBUTIONS TO THE FUND; TAX CREDIT.--

69 (a) A corporate taxpayer may make contributions to the
70 fund at any time by submitting the contribution to the
71 department for deposit into the fund, thereby becoming eligible
72 for credits against the corporation's state corporate income tax
73 liabilities as provided in paragraph (b). The department shall
74 account for such contributions by each corporate taxpayer and
75 may require the filing of an approved form together with the
76 contribution for that purpose.

77 (b) A credit of 100 percent of an eligible contribution is
78 allowed against any tax due for a taxable year under this
79 chapter. However, such a credit may not exceed 75 percent of the
80 tax due under this chapter for the taxable year, after the
81 application of any other allowable credits by the taxpayer.

82 (c) If the credit granted pursuant to this section is not
83 fully used in any single year because of insufficient tax
84 liability on the part of the corporation, the unused amount may

85 be carried forward for a period not to exceed 3 years.

86 (d) A taxpayer who files a consolidated return pursuant to
 87 s. 220.131(1) as a member of an affiliated group may be allowed
 88 the credit on a consolidated return basis; however, the total
 89 credit taken by the affiliated group is subject to the
 90 limitation established under paragraph (b).

91 (4) FUND AGGREGATE LIMIT.--The fund shall be subject to an
 92 aggregate limit of \$50 million. Contributions by corporate
 93 taxpayers to the fund shall be accepted in the order in which
 94 received. If, on any day, a submitted contribution would cause
 95 the fund to exceed its aggregate limit, the department shall
 96 advise the taxpayer submitting the contribution and the taxpayer
 97 may elect to have the contribution returned or for the
 98 department to hold the contribution in a separate special
 99 interest-earning escrow account until such time as disbursements
 100 from the fund allow for deposit of the full amount of the
 101 contribution into the fund. The credit may be taken only after
 102 the contribution is deposited into the fund.

103 (5) DISBURSEMENTS.--

104 (a) A qualifying health care clinic may apply to the board
 105 for disbursement of moneys from the fund for operations,
 106 personnel, and capital improvements. A qualifying health care
 107 clinic is:

108 1. An entity that is licensed under part X of chapter 400;
 109 or

110 2. A federally qualified health center

111
 112 that has provided charity care in an aggregate amount equal to

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113 50 percent of its total gross revenue in the 12 months preceding
114 the application and maintains a patient financial responsibility
115 policy under which a patient's charity care status is confirmed.

116 (b) The board shall approve qualified applications and
117 order disbursements to qualifying health care clinics on a
118 first-come, first-served basis, to the extent of funds
119 available. The board shall meet on a bimonthly basis for this
120 purpose or may teleconference if meeting in person is
121 impracticable. No single health care clinic may receive more
122 than \$2.5 million in total assistance from the fund in a given
123 fiscal year. Applications received at the end of the fiscal year
124 shall be carried over and determined in the next fiscal year.

125 (6) RULEMAKING.--The department, in conjunction with the
126 board, shall adopt rules pursuant to ss. 120.536(1) and 120.54
127 necessary to administer this section, including, but not limited
128 to, rules establishing application forms and procedures for
129 contributions by corporate taxpayers to the fund, granting the
130 tax credit, and approving applications for disbursements from
131 the fund.

132 (7) BOARD MEMBERS AND APPOINTMENT; POWERS AND DUTIES.--

133 (a) The board shall be comprised of nine individuals,
134 three appointed by the Governor, three appointed by the
135 President of the Senate, and three appointed by the Speaker of
136 the House of Representatives, each with relevant experience in
137 the delivery of health care to indigent persons. Board members
138 shall elect a chair at the first organizational meeting and
139 shall elect a new chair annually. However, a board member may be
140 reelected as chair if the board so determines. Board members

141 shall serve without compensation but may be reimbursed from the
142 fund for travel-related expenses incurred in meetings to
143 consider applications from health care clinics. The board may
144 hire an executive director and administrative staff, whose
145 salaries shall be paid from the fund. A board member may not
146 have an ownership interest in a health care clinic or be a
147 member of the board of directors or an officer of a health care
148 clinic. The term of a board member shall be 2 years, but a board
149 member may serve a second consecutive term if reappointed. With
150 regard to the initial appointees, of each of the three members
151 appointed by the Governor, the President of the Senate, and the
152 Speaker of the House of Representatives, one shall be appointed
153 for a 1-year term, one shall be appointed for a 2-year term, and
154 one shall be appointed for a 3-year term. Members appointed to
155 an initial 3-year term may serve a second 2-year term if
156 reappointed.

157 (b) The board, with administrative assistance by the
158 department, shall receive and evaluate applications from
159 qualifying health care clinics for the disbursement of moneys
160 from the fund as provided by this section.

161 (c) By February 1, 2008, the board shall provide the
162 Governor with an initial report concerning the implementation of
163 this section. Thereafter, the board shall provide the Governor
164 with an annual report summarizing the following:

- 165 1. The total annual contributions to the fund.
- 166 2. Annual disbursement of funds to qualifying health care
167 clinics, identifying each clinic and the amount disbursed to the
168 clinic.

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169 Section 3. This act shall take effect July 1, 2007, only
170 if HB 201 or similar legislation is adopted in the same
171 legislative session or an extension thereof and becomes law.