

1 the certified equity investments to be issued
2 within a certain time frame; requiring the
3 taxpayer to elect how the credit will be
4 applied; providing how the amount of tax
5 credits available will be calculated; requiring
6 the calculations to be certified and
7 accompanied by audited financial statements and
8 notarized affidavits; requiring the department
9 to recapture tax credits from certain taxpayers
10 under certain circumstances; requiring notice;
11 requiring community development entities that
12 have certified investments to report certain
13 information to the department; requiring the
14 department to file annual reports on low-income
15 community investments made in this state;
16 authorizing the department to conduct
17 examinations to verify receipt and application
18 of tax credits; authorizing the department to
19 pursue recovery of certain funds; authorizing
20 the department to revoke or modify certain
21 decisions relating to eligibility for tax
22 credits under certain circumstances; providing
23 for applicant liability for costs and fees
24 relating to investigations of fraudulent
25 claims; providing for taxpayer liability for
26 reimbursement of fraudulently claimed tax
27 credits; providing a penalty; providing for
28 rules; providing for future repeal; amending s.
29 220.02, F.S.; revising legislative intent with
30 respect to the order of tax credits to conform;
31 amending s. 220.13, F.S.; revising a

1 definition; amending s. 213.053, F.S.;

2 authorizing the Department of Revenue to share

3 confidential taxpayer information with the

4 Office of Tourism, Trade, and Economic

5 Development; providing an effective date.

6

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

8

9 Section 1. Part XII of chapter 288, Florida Statutes,

10 consisting of sections 288.991 and 288.992, is created to

11 read:

12 288.991 New Markets Tax Credit Act.--This part may be

13 cited as the "New Markets Tax Credit Act."

14 288.992 Qualified equity investments; tax credit.--

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

16 (a) "Adjusted purchase price" means the product of the

17 amount paid at issuance for a qualified equity investment and

18 a fraction of which the numerator is the dollar amount of

19 qualified low-income community investments made in this state

20 with the proceeds from the issuance of a qualified equity

21 investment held by a qualified community development entity on

22 the applicable credit allowance date and the denominator of

23 which is the total dollar amount of qualified low-income

24 community investments made with the proceeds from the issuance

25 of a qualified equity investment held by a qualified community

26 development entity on the applicable credit allowance date.

27 (b) "Credit allowance date" means:

28 1. The first anniversary of the date a qualified

29 equity investment is initially made; and

30 2. Each of the five subsequent anniversaries of such

31 date.

1 (c) "Long-term debt security" means any debt
2 instrument issued by a qualified community development entity,
3 at par value or a premium, having an original maturity date of
4 at least 7 years following the date of its issuance, with no
5 acceleration of repayment, amortization, or prepayment
6 features before its original maturity date and having no
7 distribution, payment, or interest features related to the
8 profitability of the qualified community development entity or
9 the performance of the entity's investment portfolio. This
10 paragraph does not limit the holder's ability to accelerate
11 payments on the debt instrument in situations in which the
12 qualified community development entity has defaulted on
13 covenants designed to ensure compliance with this section or
14 s. 45D of the Internal Revenue Code of 1986, as amended.

15 (d) "Low-income community" means any population census
16 tract within the state of Florida where:

17 1. The federal individual poverty rate is at least 20
18 percent; or

19 2. In the case of a tract:

20 a. Not located within a metropolitan area, the median
21 family income does not exceed 80 percent of the statewide
22 median family income; or

23 b. Located within a metropolitan area, the median
24 family income does not exceed 80 percent of the greater of the
25 statewide median family income or the metropolitan area median
26 income.

27 (e) "Office" means the Office of Tourism, Trade, and
28 Economic Development.

29 (f) "Qualified active low-income community business"
30 has the same meaning as in s. 45D of the Internal Revenue Code
31 of 1986, as amended, but excludes any trade or business:

1 1. That derives or projects to derive 15 percent or
2 more of its annual revenue from the rental or sale of real
3 estate;

4 2. That consists predominantly of the development or
5 holding of intangibles for sale or license;

6 3. That consists of the operation of any private or
7 commercial golf course, country club, massage parlor, hot tub
8 facility, suntan facility, racetrack, or other facility used
9 for gambling, or any store the principal business of which is
10 the sale of alcoholic beverages for consumption off premises;
11 or

12 4. The principal activity of which is farming if the
13 sum of the aggregate unadjusted bases or, if greater, the fair
14 market value, of the assets owned by the business which are
15 used in such trade or business and the aggregate value of the
16 assets leased by the business used in such trade or business
17 exceeds \$500,000. For the purposes of this subparagraph, two
18 or more trades or businesses are treated as a single trade or
19 business.

20 (g) "Qualified community development entity" means any
21 entity that has been certified as a qualified community
22 development entity by the Community Development Financial
23 Institutions Fund of the United States Treasury Department
24 pursuant to s. 45D of the Internal Revenue Code of 1986, as
25 amended, the certification of which has not been revoked, and
26 that has entered into an allocation agreement with the
27 Community Development Financial Institutions Fund with respect
28 to tax credits authorized by section 45D of the Internal
29 Revenue Code of 1986, as amended.

1 (h) "Qualified equity investment" means any equity
2 investment or long-term debt security issued by a qualified
3 community development entity that:

4 1. Is acquired on or after July 1, 2007, at its
5 original issuance solely in exchange for cash;

6 2. Has at least 85 percent of its cash purchase price
7 used by the qualified community development entity to make
8 qualified low-income community investments within the 12-month
9 period beginning on the date the cash is paid by the taxpayer
10 to the entity; and

11 3. Is certified by the Office of Tourism, Trade, and
12 Economic Development as a qualified equity investment pursuant
13 to this section.

14 (i) "Qualified low-income community investment" means
15 any capital or equity investment in or loan to any qualified
16 active low-income community business made after July 1, 2007.
17 With respect to any one qualified active low-income community
18 business, the maximum amount of debt or equity issued by it on
19 a collective basis with all of its affiliates which may be
20 included in the calculation of any numerator described in
21 paragraph (a) shall be \$10 million, whether such investments
22 are issued to one or more qualified community development
23 entities.

24 (2) AUTHORIZATION OF TAX CREDITS.--

25 (a) A taxpayer holding a qualified equity investment
26 issued by a community development entity on the credit
27 allowance date of the investment is entitled to a tax credit
28 against the taxes imposed by s. 220.11 or s. 624.509 during
29 the tax year that includes the credit allowance date. The tax
30 credit amount is equal to 8.33 percent of the adjusted
31 purchase price of the qualified equity investment.

1 (b) The taxpayer's cash investment in the qualified
2 equity investment received by the community development entity
3 is treated as invested in a qualified low-income community
4 investment only to the extent that the cash is invested within
5 the 12-month period beginning on the date the cash is paid by
6 the taxpayer to the community development entity.

7 (c) A taxpayer may not redeem any portion of a tax
8 credit in a tax year in which the tax credit exceeds the
9 taxpayer's state tax liability for such tax year. Any amount
10 of the tax credit that the taxpayer is prohibited from
11 redeeming may be carried forward for use in a subsequent tax
12 year; however, all unused tax credits expire on December 31,
13 2028.

14 (d) A tax credit authorized under this section is not
15 refundable or transferable. However, if a qualified equity
16 investment is transferred, the tax credits for future credit
17 allowance dates, if any, transfer with the investment. Credit
18 amounts, including any carryover amounts, from credit
19 allowance dates prior to the date of transfer do not transfer
20 with the qualified equity investment. Tax credits earned by a
21 partnership, limited liability company, S corporation, or
22 other "pass-through" entity may be allocated to the partners,
23 members, or shareholders of such entity for their direct
24 redemption in accordance with the provisions of any agreement
25 among the partners, members, or shareholders.

26 (3) DESIGNATION OF QUALIFIED EQUITY INVESTMENTS.--

27 (a) Any qualified community development entity that
28 seeks to have an equity investment or long-term debt security
29 designated as a qualified equity investment and eligible for
30 tax credits under this section shall apply to the office. The
31 qualified community development entity shall submit an

1 application on a form that the office prescribes by rule, and
2 that includes, but need not be limited to:

3 1. The name, address, tax identification number of the
4 entity, and evidence of the entity's certification as a
5 qualified community development entity;

6 2. A copy of an allocation agreement executed by the
7 entity and the Community Development Financial Institutions
8 Fund with respect to the allocation of tax credits under s. 4D
9 of the Internal Revenue Code of 1986, as amended;

10 3. A certificate, executed by an executive officer of
11 the entity, attesting that such allocation agreement remains
12 in effect and has not been revoked or cancelled by the
13 Community Development Financial Institutions Fund;

14 4. A description of the proposed amount, structure,
15 and purchaser of the equity investment or long-term debt
16 security;

17 5. The name and tax identification number of any
18 person or entity that will be eligible to redeem tax credits
19 earned as a result of the issuance of the qualified equity
20 investment;

21 6. Information regarding the proposed use of proceeds
22 from the issuance of a qualified equity investment, which must
23 include the types of qualified active low-income community
24 businesses that will be funded and an estimate of the
25 percentage of qualified low-income community investments that
26 will be made in Florida. In addition, the entity shall submit
27 a nonrefundable application fee of \$1,000 to the office with
28 each application submitted; and

29 7. A statement setting forth the entity's plans for
30 the development of relationships with community-based
31 organizations, local community development offices and

1 organizations, and economic development organizations as well
2 as any steps the entity has taken to implement these
3 relationships.

4 (b) Within 30 days after receipt of a completed
5 application containing all the information necessary for the
6 office to certify a potential qualified equity investment,
7 including payment of the application fee, the office shall
8 grant or deny the application in full or in part. If the
9 office denies any part of the application, it shall inform the
10 qualified community development entity of the grounds for the
11 denial. If the qualified community development entity provides
12 any additional information required by the office or otherwise
13 completes its application within 15 days after the notice of
14 denial, the application shall be considered completed as of
15 the original date of submission. If the qualified community
16 development entity fails to provide such information or
17 complete its application within the 15-day period, the
18 application remains denied and must be resubmitted in full
19 with a new submission date.

20 (c) If an application is deemed complete by the
21 office, it shall certify the proposed equity investment or
22 long-term debt security as a qualified equity investment and
23 eligible for tax credits under this section. The office shall
24 provide written notice of the certification to the qualified
25 community development entity and the Department of Revenue.
26 The written notice must include the maximum amount of tax
27 credits that may be earned as a result of the issuance of the
28 qualified equity investment, which shall be calculated with
29 reference to the percentage of qualified low-income community
30 investments estimated to be made in Florida by the qualified
31 community development entity in its application, and the names

1 of those taxpayers who are eligible to redeem the credits and
2 their respective credit amounts. The office shall certify
3 qualified equity investments in the order applications for
4 certification are received. Any applications received on the
5 same day shall be deemed to have been received simultaneously.

6 (d) Once the office has certified qualified equity
7 investments that, on a cumulative basis, are eligible for \$105
8 million in tax credits, of which no more than \$15 million may
9 be claimed per state fiscal year exclusive of tax credits
10 carried forward, and on or after June 30, 2014, the office may
11 not certify any more qualified equity investments. Tax credits
12 subject to appropriations in any year must be approved by the
13 Legislature. If a pending request for certification cannot be
14 fully certified under this section, the office shall certify
15 the portion that may be certified unless the qualified
16 community development entity elects to withdraw its request
17 rather than receive partial credits.

18 (e) Within 30 days after notice of certification from
19 the office, the qualified community development entity must
20 issue the qualified equity investment and receive cash in the
21 amount of the certified amount. The qualified community
22 development entity shall provide the office with evidence of
23 the receipt of the investment within 10 business days after
24 receipt. If the qualified community development entity does
25 not issue the qualified equity investment and receive the cash
26 investment within the 30 days following receipt of the
27 certification notice, the certification shall lapse and the
28 entity may not issue the qualified equity investment without
29 reapplying to the office for certification. Any certification
30 that lapses reverts back to the office and may be reissued in
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1 accordance with the application process outlined in this
2 section.

3 (f) On the date that a qualified equity investment is
4 initially made, the purchaser must make an election to apply
5 the credit against taxes due under chapter 220 or chapter 624
6 or against a stated combination of the two taxes, and shall
7 provide notice of such election to the office and Department
8 of Revenue. The purchaser or subsequent holder of the
9 qualified equity investment or a member, partner, or
10 shareholder of the holder who is eligible to take the credit
11 may not alter this election without prior notice to and
12 approval from the Department of Revenue.

13 (4) ANNUAL CALCULATION OF CREDIT.--

14 (a) Within 30 days after each credit allowance date,
15 each qualified community development entity shall submit to
16 the office the following with respect to each qualified equity
17 investment issued by it:

18 1. A listing, certified by an executive officer of the
19 qualified community development entity, of all qualified
20 low-income community investments made by the qualified
21 community development entity with the proceeds of a qualified
22 equity investment and held as of the credit allowance date,
23 which must include the name of each qualified active
24 low-income business funded, the location of the principal
25 office of each such business, the type of business, the amount
26 of the qualified low-income community investment in each such
27 business, and the total of qualified low-income community
28 investments by all community development entities in each such
29 business;

30 2. Bank records, wire transfer records, or other
31 similar documents that reflect the investments listed above;

1 3. A calculation, certified by the chief financial or
2 accounting officer of the qualified community development
3 entity, of the amount of qualified low-income community
4 investments in Florida made with the proceeds of the issuance
5 of the qualified equity investment held by the entity as of
6 the credit allowance date, and the total qualified low-income
7 community investments made with the proceeds of the issuance
8 of the qualified equity investment held by the entity on the
9 credit allowance date. In making this calculation, an
10 investment in Florida shall be deemed to be held by a
11 qualified community development entity even if the investment
12 has been sold or repaid if the entity reinvests an amount
13 equal to the capital returned to or recovered from the
14 original investment, exclusive of any profits realized, in
15 another qualified low-income community investment in Florida
16 within 12 months after receipt of such capital. A qualified
17 community development entity is not required to reinvest
18 capital returned from qualified low-income community
19 investments after the sixth anniversary of the issuance of the
20 qualified equity investment for which the proceeds were used
21 to make the qualified low-income community investment. The
22 qualified low-income community investment shall be deemed to
23 be held by the qualified community development entity through
24 the seventh anniversary of the qualified equity investment's
25 issuance;

26 4. An attestation from the qualified community
27 development entity's chief financial or accounting officer
28 that no redemption or principal payment was made with respect
29 to the qualified equity investment since the previous credit
30 allowance date; and

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1 5. Any information with respect to a recapture of the
2 federal tax credits available with respect to a qualified
3 equity investment that the qualified community development
4 entity has received since the prior credit allowance date.

5 (b) Within 20 days after receipt of the information
6 listed in paragraph (a), the office shall certify in writing
7 to the qualified community development entity and to the
8 Department of Revenue the amount of credit that is eligible
9 for use for the credit allowance date. The notice must include
10 a listing of those taxpayers that are eligible to redeem the
11 tax credit for such credit allowance date.

12 (5) AUDIT AND RECAPTURE.--

13 (a) A qualified community development entity that
14 receives an annual allocation of tax credits in an amount
15 equal to or in excess of \$500,000 shall be treated as a
16 recipient pursuant to s. 215.97(2) and required to participate
17 in a state single audit pursuant to s. 215.97. In addition to
18 the required financial reporting package, the audit must
19 attest to the qualified community development entity's
20 adherence to the performance conditions enumerated in this
21 section as they relate to the potential for recapture of the
22 tax credit required by subsection (b). The office shall be
23 deemed the state awarding agency and state coordinating agency
24 pursuant to s. 215.97. Taxpayers that are not qualified
25 community development entities shall not be treated as
26 subrecipients pursuant to s. 215.97(2) or otherwise required
27 to participate in the state single audit program since such
28 persons do not control adherence to the performance standards
29 of this program.

1 (b) The office shall order recapture of any tax credit
2 allowed under this section with respect to a qualified equity
3 investment if:

4 1. Any amount of the federal tax credit available that
5 is eligible for a tax credit under this section is recaptured
6 under s. 45D of the Internal Revenue Code of 1986, as amended;

7 2. The qualified community development entity redeems
8 or makes any principal repayment before the seventh
9 anniversary of the issuance of the qualified equity
10 investment;

11 3. The qualified community development entity fails to
12 maintain at least 85 percent of the proceeds of the qualified
13 equity investment in qualified low-income community
14 investments at any time before the seventh anniversary of the
15 issuance of the qualified equity investment and remains in
16 compliance with subparagraph (1)(g)2.;

17 4. The qualified community development entity fails to
18 provide to the office and the Department of Revenue any of the
19 information or reports required by this section; or

20 5. The office determines as a result of a state single
21 audit or an examination by the office that a taxpayer received
22 tax credits pursuant to this section to which the taxpayer was
23 not entitled.

24 (c) The office shall provide notice to the qualified
25 community development entity and to the Department of Revenue
26 of any proposed recapture of tax credits pursuant to this
27 section. The entity shall have 90 days to cure any deficiency
28 indicated in the office's original recapture notice and avoid
29 such recapture. If the entity fails or is unable to cure such
30 deficiency within the 90-day period, the office shall provide
31 the entity and the Department of Revenue with a final order of

1 recapture. The qualified community development entity shall be
2 responsible for providing copies of the final order of
3 recapture to persons owning the tax credits at issue.

4 (d) Any tax credit for which a final recapture order
5 has been issued shall be recaptured by the Department of
6 Revenue from the taxpayer who claimed the tax credit on a tax
7 return, or in the case of multiple succeeding entities, in the
8 order of tax-credit succession, and such funds shall be paid
9 into the General Revenue Fund. Such action by the Department
10 of Revenue does not constitute an audit or otherwise alter the
11 Department of Revenue's ability to audit the taxpayer.

12 (6) ANNUAL REPORTING.--

13 (a) Within 120 days after the end of a calendar year
14 that includes a credit allowance date, each community
15 development entity that has an equity investment or long-term
16 debt security certified as a qualified equity investment under
17 this section shall provide the office with:

18 1. The entity's annual financial statements for the
19 immediately preceding calendar year, audited by an independent
20 certified public accountant;

21 2. Using the North American Industry Classification
22 System Code, the types of businesses funded, the counties
23 where the qualified active low-income community businesses are
24 located, the dollars invested, and the number of jobs created
25 and retained by qualified active low-income businesses funded
26 in a form satisfactory to the office; and

27 3. A statement detailing a description of the
28 relationships that the entity has established with
29 community-based organizations, local community development
30 offices and organizations, and economic development
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1 organizations, and a summary of the outcomes resulting from
2 those relationships.

3 (b) The office shall file an annual report of all
4 qualified low-income community investments made in this state
5 with the proceeds of qualified equity investments which
6 includes relevant statistics from the North American Industry
7 Classification System Code, the county or counties where the
8 qualified low-income community investments are located, the
9 dollars invested, the number of jobs created and retained by
10 business in which qualified low-income community investments
11 have been made, and the value of applicable state tax credits
12 claimed for the latest year for which such information is
13 available. The office shall submit a copy to the Governor, the
14 President of the Senate, and the Speaker of the House of
15 Representatives each July 1, beginning in 2009, and may post
16 the annual report on the office's website.

17 (7) EXAMINATION.--

18 (a) The office may conduct examinations to verify that
19 tax credits under this section have been received and applied
20 according to the requirements of this section and to verify
21 information provided by qualified community development
22 entities to the office.

23 (b) The office may revoke or modify any written
24 decision qualifying, certifying, or otherwise granting
25 eligibility for tax credits under this section if it is
26 discovered that the qualified community development entity
27 submitted any false statement, representation, or
28 certification in any application, record, report, plan, or
29 other document filed in an attempt to receive tax credits
30 under this section.

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1 (c) Any qualified community development entity that
2 submits information under this section which includes
3 fraudulent information is liable for reimbursement of the
4 reasonable costs and fees associated with the review,
5 processing, investigation, and prosecution of the fraudulent
6 claim plus a penalty in an amount double the credit amount
7 certified and claimed by the holders of the entity's qualified
8 equity investments, which penalty is in addition to any
9 criminal penalty to which the taxpayer is liable for the same
10 acts.

11 (8) APPLICATION.--This section does not apply for any
12 fiscal year unless funds to offset the tax credits to be
13 allocated by the Department of Revenue have been appropriated.

14 (9) RULEMAKING AUTHORITY.--

15 (a) The office may adopt rules pursuant to ss.
16 120.536(1) and 120.54 to administer this section.

17 (b) The Department of Revenue may adopt rules pursuant
18 to ss. 120.536(1) and 120.54 to administer this section.

19 (10) EXPIRATION.--This section expires December 31,
20 2028.

21 Section 2. Subsection (8) of section 220.02, Florida
22 Statutes, is amended to read:

23 220.02 Legislative intent.--

24 (8) It is the intent of the Legislature that credits
25 against either the corporate income tax or the franchise tax
26 be applied in the following order: those enumerated in s.
27 631.828, those enumerated in s. 220.191, those enumerated in
28 s. 220.181, those enumerated in s. 220.183, those enumerated
29 in s. 220.182, those enumerated in s. 220.1895, those
30 enumerated in s. 221.02, those enumerated in s. 220.184, those
31 enumerated in s. 220.186, those enumerated in s. 220.1845,

1 | those enumerated in s. 220.19, those enumerated in s. 220.185,
2 | those enumerated in s. 220.187, those enumerated in s.
3 | 220.192, ~~and~~ those enumerated in s. 220.193, and those
4 | enumerated in s. 288.992.

5 | Section 3. Paragraph (a) of subsection (1) of section
6 | 220.13, Florida Statutes, is amended to read:

7 | 220.13 "Adjusted federal income" defined.--

8 | (1) The term "adjusted federal income" means an amount
9 | equal to the taxpayer's taxable income as defined in
10 | subsection (2), or such taxable income of more than one
11 | taxpayer as provided in s. 220.131, for the taxable year,
12 | adjusted as follows:

13 | (a) Additions.--There shall be added to such taxable
14 | income:

15 | 1. The amount of any tax upon or measured by income,
16 | excluding taxes based on gross receipts or revenues, paid or
17 | accrued as a liability to the District of Columbia or any
18 | state of the United States which is deductible from gross
19 | income in the computation of taxable income for the taxable
20 | year.

21 | 2. The amount of interest which is excluded from
22 | taxable income under s. 103(a) of the Internal Revenue Code or
23 | any other federal law, less the associated expenses disallowed
24 | in the computation of taxable income under s. 265 of the
25 | Internal Revenue Code or any other law, excluding 60 percent
26 | of any amounts included in alternative minimum taxable income,
27 | as defined in s. 55(b)(2) of the Internal Revenue Code, if the
28 | taxpayer pays tax under s. 220.11(3).

29 | 3. In the case of a regulated investment company or
30 | real estate investment trust, an amount equal to the excess of
31 | the net long-term capital gain for the taxable year over the

1 amount of the capital gain dividends attributable to the
2 taxable year.

3 4. That portion of the wages or salaries paid or
4 incurred for the taxable year which is equal to the amount of
5 the credit allowable for the taxable year under s. 220.181.
6 This subparagraph shall expire on the date specified in s.
7 290.016 for the expiration of the Florida Enterprise Zone Act.

8 5. That portion of the ad valorem school taxes paid or
9 incurred for the taxable year which is equal to the amount of
10 the credit allowable for the taxable year under s. 220.182.
11 This subparagraph shall expire on the date specified in s.
12 290.016 for the expiration of the Florida Enterprise Zone Act.

13 6. The amount of emergency excise tax paid or accrued
14 as a liability to this state under chapter 221 which tax is
15 deductible from gross income in the computation of taxable
16 income for the taxable year.

17 7. That portion of assessments to fund a guaranty
18 association incurred for the taxable year which is equal to
19 the amount of the credit allowable for the taxable year.

20 8. In the case of a nonprofit corporation which holds
21 a pari-mutuel permit and which is exempt from federal income
22 tax as a farmers' cooperative, an amount equal to the excess
23 of the gross income attributable to the pari-mutuel operations
24 over the attributable expenses for the taxable year.

25 9. The amount taken as a credit for the taxable year
26 under s. 220.1895.

27 10. Up to nine percent of the eligible basis of any
28 designated project which is equal to the credit allowable for
29 the taxable year under s. 220.185.

30 11. The amount taken as a credit for the taxable year
31 under s. 220.187.

1 12. The amount taken as a credit for the taxable year
2 under s. 220.192.

3 13. The amount taken as a credit for the taxable year
4 under s. 220.193.

5 14. Any portion of a qualified equity investment, as
6 defined in s. 288.993, which has been claimed as a deduction
7 by the taxpayer for the purpose of calculating the taxpayer's
8 net income.

9 Section 4. Subsection (19) is added to section
10 213.053, Florida Statutes, to read:

11 213.053 Confidentiality and information sharing.--

12 (19) Information relative to tax credits taken by a
13 taxpayer under s. 288.991 may be disclosed to the Office of
14 Tourism, Trade, and Economic Development or its employees or
15 agents that have been identified in writing by the office to
16 the department for use in performance of their official
17 duties. All information so obtained by the office is subject
18 to the same confidentiality as imposed on the department.

19 Section 5. This act shall take effect July 1, 2007,
20 and applies to tax years ending after December 31, 2007.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
CS/SB 2280

The committee substitute for committee substitute (CS) deletes and revises several definitions. It revises the criteria for the designation of qualified equity investments. The CS also revises the process for the annual calculation of credit for each qualified equity investment. It amends the audit procedures for verification of tax credits.

This CS revises the reporting requirement for community development entities. It also authorizes the Office of Tourism, Trade, and Economic Development (OTTED) to conduct examinations to verify that the tax credits have been received and applied in compliance with the provisions fo the CS. Finally, the CS allows authorized OTTED employees, for purposes of their official duties, to obtain information from the Department of Revenue relating to tax credits taken by a taxpayer under s. 288.991, F.S.