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1 A bill to be entitled

2 An act relating to the qualified defense contractor tax
3 refund program; amending s. 288.1045, F.S.; revising
4 definitions to include space flight businesses and space
5 flight contracts; specifying a methodology and amounts for
6 tax refund payments to qualified defense contractor
7 businesses; revising provisions authorizing qualified
8 applicants to receive refunds of certain taxes; revising
9 application process requirements to include space flight
10 businesses and contracts; revising information
11 requirements for applications for certain qualified
12 applicant certifications; providing employment
13 requirements for space flight business contracts;
14 specifying required information for applications for
15 certification under space flight business contracts;
16 including space flight businesses under provisions
17 authorizing annual claims for refund; revising limitations
18 on payments of tax refunds; revising certain required
19 reductions of amounts of tax refunds; deleting a reporting
20 requirement of tax refunds paid and use of appropriations
21 expended; extending an expiration date; amending ss.
22 14.2015 and 213.053, F.S.; conforming program references;
23 providing an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Subsection (1), paragraphs (b) and (f) of
28 subsection (2), subsections (3), (4), and (5), paragraphs (d)

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 and (e) of subsection (6), and subsection (8) of section
 30 288.1045, Florida Statutes, are amended to read:

31 288.1045 Qualified defense contractor and space flight
 32 business tax refund program.--

33 (1) DEFINITIONS.--As used in this section:

34 (a) ~~(e)~~ "Applicant" means any business entity that holds a
 35 valid Department of Defense contract or space flight business
 36 contract, ~~or~~ any business entity that is a subcontractor under a
 37 valid Department of Defense contract or space flight business
 38 contract, or any business entity that holds a valid contract for
 39 the reuse of a defense-related facility, including all members
 40 of an affiliated group of corporations as defined in s.
 41 220.03(1)(b).

42 (b) "Average wage in the area" means the average of all
 43 wages and salaries in the state, the county, or in the standard
 44 metropolitan area in which the business unit is located.

45 (c) ~~(n)~~ "Business unit" means an employing unit, as defined
 46 in s. 443.036, that is registered with the Agency for Workforce
 47 Innovation for unemployment compensation purposes or means a
 48 subcategory or division of an employing unit that is accepted by
 49 the Agency for Workforce Innovation as a reporting unit.

50 (d) ~~(a)~~ "Consolidation of a Department of Defense contract"
 51 means the consolidation of one or more of an applicant's
 52 facilities under one or more Department of Defense contracts,
 53 ~~either~~ from outside this state or from inside and outside this
 54 state, into one or more of the applicant's facilities inside
 55 this state.

56 (e) "Consolidation of a space flight business contract"

57 means the consolidation of one or more of an applicant's
 58 facilities under one or more space flight business contracts,
 59 from outside this state or from inside and outside this state,
 60 into one or more of the applicant's facilities inside this
 61 state.

62 (f)~~(p)~~ "Contract for reuse of a defense-related facility"
 63 means a contract with a duration of 2 or more years for the use
 64 of a facility for manufacturing, assembling, fabricating,
 65 research, development, or design of tangible personal property,
 66 but excluding any contract to provide goods, improvements to
 67 real or tangible property, or services directly to or for any
 68 particular military base or installation in this state. Such
 69 facility must be located within a port, as defined in s. 313.21,
 70 and have been occupied by a business entity that held a valid
 71 Department of Defense contract or occupied by any branch of the
 72 Armed Forces of the United States, within 1 year of any contract
 73 being executed for the reuse of such facility. A contract for
 74 reuse of a defense-related facility may not include any contract
 75 for reuse of such facility for any Department of Defense
 76 contract for manufacturing, assembling, fabricating, research,
 77 development, or design.

78 (g)~~(e)~~ "Department of Defense contract" means a
 79 competitively bid Department of Defense contract or subcontract
 80 or a competitively bid federal agency contract or subcontract
 81 issued on behalf of the Department of Defense for manufacturing,
 82 assembling, fabricating, research, development, or design with a
 83 duration of 2 or more years, but excluding any contract or
 84 subcontract to provide goods, improvements to real or tangible

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85 | property, or services directly to or for any particular military
86 | base or installation in this state. The term includes contracts
87 | or subcontracts for products or services for military use or
88 | homeland security which contracts or subcontracts are approved
89 | by the United States Department of Defense, the United States
90 | Department of State, or the United States Department of Homeland
91 | Security.

92 | (h)~~(k)~~ "Director" means the director of the Office of
93 | Tourism, Trade, and Economic Development.

94 | (i)~~(m)~~ "Fiscal year" means the fiscal year of the state.

95 | (j)~~(g)~~ "Jobs" means full-time equivalent positions,
96 | consistent with the use of such terms by the Agency for
97 | Workforce Innovation for the purpose of unemployment
98 | compensation tax, created or retained as a direct result of a
99 | project in this state. This number does not include temporary
100 | construction jobs involved with the construction of facilities
101 | for the project.

102 | (k)~~(e)~~ "Local financial support" means funding from local
103 | sources, public or private, which is paid to the Economic
104 | Development Trust Fund and which is equal to 20 percent of the
105 | annual tax refund for a qualified applicant. Local financial
106 | support may include excess payments made to a utility company
107 | under a designated program to allow decreases in service by the
108 | utility company under conditions, regardless of when application
109 | is made. A qualified applicant may not provide, directly or
110 | indirectly, more than 5 percent of such funding in any fiscal
111 | year. The sources of such funding may not include, directly or
112 | indirectly, state funds appropriated from the General Revenue

113 Fund or any state trust fund, excluding tax revenues shared with
 114 local governments pursuant to law.

115 (l)~~(g)~~ "Local financial support exemption option" means
 116 the option to exercise an exemption from the local financial
 117 support requirement available to any applicant whose project is
 118 located in a county designated by the Rural Economic Development
 119 Initiative, if the county commissioners of the county in which
 120 the project will be located adopt a resolution requesting that
 121 the applicant's project be exempt from the local financial
 122 support requirement. Any applicant that exercises this option is
 123 not eligible for more than 80 percent of the total tax refunds
 124 allowed such applicant under this section.

125 (m)~~(f)~~ "New Department of Defense contract" means a
 126 Department of Defense contract entered into after the date
 127 application for certification as a qualified applicant is made
 128 and after January 1, 1994.

129 (n) "New space flight business contract" means a space
 130 flight business contract entered into after an application for
 131 certification as a qualified applicant is made after January 1,
 132 2007.

133 (o)~~(h)~~ "Nondefense production jobs" means employment
 134 exclusively for activities that, directly or indirectly, are
 135 unrelated to the Department of Defense.

136 (p)~~(d)~~ "Office" means the Office of Tourism, Trade, and
 137 Economic Development.

138 (q)~~(i)~~ "Project" means any business undertaking in this
 139 state under a new Department of Defense contract, consolidation
 140 of a Department of Defense contract, new space flight business

141 contract, consolidation of a space flight business contract, or
 142 conversion of defense production jobs over to nondefense
 143 production jobs or reuse of defense-related facilities.

144 (r)~~(j)~~ "Qualified applicant" means an applicant that has
 145 been approved by the director to be eligible for tax refunds
 146 pursuant to this section.

147 (s) "Space flight business" means the manufacturing,
 148 processing, or assembly of space flight technology products,
 149 space flight facilities, space flight propulsion systems, or
 150 space vehicles, satellites, or stations of any kind possessing
 151 the capability for space flight, as defined by s. 212.02(23), or
 152 components thereof, and includes, in supporting space flight,
 153 vehicle launch activities, flight operations, ground control or
 154 ground support, and all administrative activities directly
 155 related to such activities. The term does not include products
 156 that are designed or manufactured for general commercial
 157 aviation or other uses even if those products may also serve an
 158 incidental use in space flight applications.

159 (t) "Space flight business contract" means a competitively
 160 bid federal agency contract, federal agency subcontract, an
 161 awarded commercial contract, or an awarded commercial
 162 subcontract for space flight business with a duration of 2 or
 163 more years.

164 (u)~~(l)~~ "Taxable year" means the same as in s.
 165 220.03(1)(y).

166 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.--

167 (b) Upon approval by the director, a qualified defense
 168 contractor business shall be allowed tax refund payments equal

169 to \$3,000 times the number of jobs specified in the tax refund
 170 agreement under subparagraph (4) (a)1. or equal to \$6,000 times
 171 the number of jobs if the project is located in a rural county
 172 or an enterprise zone. Further, a qualified defense contractor
 173 business shall be allowed additional tax refund payments equal
 174 to \$1,000 times the number of jobs specified in the tax refund
 175 agreement under subparagraph (4) (a)1. if such jobs pay an annual
 176 average wage of at least 150 percent of the average private
 177 sector wage in the area or equal to \$2,000 times the number of
 178 jobs if such jobs pay an annual average wage of at least 200
 179 percent of the average private sector wage in the area. A
 180 ~~qualified applicant may not be qualified for any project to~~
 181 ~~receive more than \$5,000 times the number of jobs provided in~~
 182 ~~the tax refund agreement pursuant to subparagraph (4) (a)1. A~~
 183 qualified applicant may not receive refunds of more than 25
 184 percent of the total tax refunds provided in the tax refund
 185 agreement pursuant to subparagraph (4) (a)1. in any fiscal year,
 186 provided that no qualified applicant may receive more than \$2.5
 187 million in tax refunds pursuant to this section in any fiscal
 188 year.

189 (f) After entering into a tax refund agreement pursuant to
 190 subsection (4), a qualified applicant may:

191 1. Receive refunds from the account for corporate income
 192 taxes due and paid pursuant to chapter 220 by that business
 193 beginning with the first taxable year of the business which
 194 begins after entering into the agreement.

195 2. Receive refunds from the account ~~Economic Development~~
 196 ~~Trust Fund~~ for the following taxes due and paid by that business

197 ~~the qualified applicant beginning with the applicant's first~~
 198 ~~taxable year that begins~~ after entering into the agreement:

199 a.1. Taxes on sales, use, and other transactions paid
 200 pursuant to chapter 212.

201 ~~2. Corporate income taxes paid pursuant to chapter 220.~~

202 b.3. Intangible personal property taxes paid pursuant to
 203 chapter 199.

204 ~~4. Emergency excise taxes paid pursuant to chapter 221.~~

205 c.5. Excise taxes paid on documents pursuant to chapter
 206 201.

207 d.6. Ad valorem taxes paid, as defined in s. 220.03(1)(a)
 208 on June 1, 1996.

209 e.7. State communications services taxes administered
 210 under chapter 202. This provision does not apply to the gross
 211 receipts tax imposed under chapter 203 and administered under
 212 chapter 202 or the local communications services tax authorized
 213 under s. 202.19.

214
 215 However, a qualified applicant may not receive a tax refund
 216 pursuant to this section for any amount of credit, refund, or
 217 exemption granted such contractor for any of such taxes. If a
 218 refund for such taxes is provided by the office, which taxes are
 219 subsequently adjusted by the application of any credit, refund,
 220 or exemption granted to the qualified applicant other than that
 221 provided in this section, the qualified applicant shall
 222 reimburse the Economic Development Trust Fund for the amount of
 223 such credit, refund, or exemption. A qualified applicant must
 224 notify and tender payment to the office within 20 days after

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225 receiving a credit, refund, or exemption, other than that
226 provided in this section. The addition of communications
227 services taxes administered under chapter 202 is remedial in
228 nature and retroactive to October 1, 2001. The office may make
229 supplemental tax refund payments to allow for tax refunds for
230 communications services taxes paid by an eligible qualified
231 defense contractor after October 1, 2001.

232 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
233 DETERMINATION.--

234 (a) To apply for certification as a qualified applicant
235 pursuant to this section, an applicant must file an application
236 with the office which satisfies the requirements of paragraphs
237 (b) and (e), paragraphs (c) and (e), ~~or~~ paragraphs (d) and (e),
238 or paragraphs (e) and (k). An applicant may not apply for
239 certification pursuant to this section after a proposal has been
240 submitted for a new Department of Defense contract, after the
241 applicant has made the decision to consolidate an existing
242 Department of Defense contract in this state for which such
243 applicant is seeking certification, after a proposal has been
244 submitted for a new space flight business contract in this
245 state, after the applicant has made the decision to consolidate
246 an existing space flight business contract in this state for
247 which such applicant is seeking certification, or after the
248 applicant has made the decision to convert defense production
249 jobs to nondefense production jobs for which such applicant is
250 seeking certification.

251 (b) Applications for certification based on the
252 consolidation of a Department of Defense contract or a new

253 Department of Defense contract must be submitted to the office
 254 as prescribed by the office and must include, but are not
 255 limited to, the following information:

256 1. The applicant's federal employer identification number,
 257 the applicant's Florida sales tax registration number, and a
 258 ~~notarized~~ signature of an officer of the applicant.

259 2. The permanent location of the manufacturing,
 260 assembling, fabricating, research, development, or design
 261 facility in this state at which the project is or is to be
 262 located.

263 3. The Department of Defense contract numbers of the
 264 contract to be consolidated, the new Department of Defense
 265 contract number, or the "RFP" number of a proposed Department of
 266 Defense contract.

267 4. The date the contract was executed or is expected to be
 268 executed, and the date the contract is due to expire or is
 269 expected to expire.

270 5. The commencement date for project operations under the
 271 contract in this state.

272 6. The number of net new full-time equivalent Florida jobs
 273 included in the project as of December 31 of each year and the
 274 average wage of such jobs.

275 7. The total number of full-time equivalent employees
 276 employed by the applicant in this state.

277 8. The percentage of the applicant's gross receipts
 278 derived from Department of Defense contracts during the 5
 279 taxable years immediately preceding the date the application is
 280 submitted.

281 9. The number of full-time equivalent jobs in this state
 282 to be retained by the project.

283 ~~10. The estimated amount of tax refunds to be claimed for~~
 284 ~~each fiscal year.~~

285 10.11. A brief statement concerning the applicant's need
 286 for tax refunds, and the proposed uses of such refunds by the
 287 applicant.

288 ~~11.12.~~ A resolution adopted by the governing board ~~county~~
 289 ~~commissioners~~ of the county or municipality in which the project
 290 will be located, which recommends the applicant be approved as a
 291 qualified applicant, and which indicates that the necessary
 292 commitments of local financial support for the applicant exist.
 293 Prior to the adoption of the resolution, the county commission
 294 may review the proposed public or private sources of such
 295 support and determine whether the proposed sources of local
 296 financial support can be provided or, for any applicant whose
 297 project is located in a county designated by the Rural Economic
 298 Development Initiative, a resolution adopted by the county
 299 commissioners of such county requesting that the applicant's
 300 project be exempt from the local financial support requirement.

301 ~~12.13.~~ Any additional information requested by the office.

302 (c) Applications for certification based on the conversion
 303 of defense production jobs to nondefense production jobs must be
 304 submitted to the office as prescribed by the office and must
 305 include, but are not limited to, the following information:

306 1. The applicant's federal employer identification number,
 307 the applicant's Florida sales tax registration number, and a
 308 ~~notarized~~ signature of an officer of the applicant.

309 2. The permanent location of the manufacturing,
 310 assembling, fabricating, research, development, or design
 311 facility in this state at which the project is or is to be
 312 located.

313 3. The Department of Defense contract numbers of the
 314 contract under which the defense production jobs will be
 315 converted to nondefense production jobs.

316 4. The date the contract was executed, and the date the
 317 contract is due to expire or is expected to expire, or was
 318 canceled.

319 5. The commencement date for the nondefense production
 320 operations in this state.

321 6. The number of net new full-time equivalent Florida jobs
 322 included in the nondefense production project as of December 31
 323 of each year and the average wage of such jobs.

324 7. The total number of full-time equivalent employees
 325 employed by the applicant in this state.

326 8. The percentage of the applicant's gross receipts
 327 derived from Department of Defense contracts during the 5
 328 taxable years immediately preceding the date the application is
 329 submitted.

330 9. The number of full-time equivalent jobs in this state
 331 to be retained by the project.

332 ~~10. The estimated amount of tax refunds to be claimed for~~
 333 ~~each fiscal year.~~

334 10.11. A brief statement concerning the applicant's need
 335 for tax refunds, and the proposed uses of such refunds by the
 336 applicant.

337 ~~11.12.~~ A resolution adopted by the governing board ~~county~~
338 ~~commissioners~~ of the county or municipality in which the project
339 will be located, which recommends the applicant be approved as a
340 qualified applicant, and which indicates that the necessary
341 commitments of local financial support for the applicant exist.
342 Prior to the adoption of the resolution, the county commission
343 may review the proposed public or private sources of such
344 support and determine whether the proposed sources of local
345 financial support can be provided or, for any applicant whose
346 project is located in a county designated by the Rural Economic
347 Development Initiative, a resolution adopted by the county
348 commissioners of such county requesting that the applicant's
349 project be exempt from the local financial support requirement.

350 ~~12.13.~~ Any additional information requested by the office.

351 (d) Applications for certification based on a contract for
352 reuse of a defense-related facility must be submitted to the
353 office as prescribed by the office and must include, but are not
354 limited to, the following information:

355 1. The applicant's Florida sales tax registration number
356 and a ~~notarized~~ signature of an officer of the applicant.

357 2. The permanent location of the manufacturing,
358 assembling, fabricating, research, development, or design
359 facility in this state at which the project is or is to be
360 located.

361 3. The business entity holding a valid Department of
362 Defense contract or branch of the Armed Forces of the United
363 States that previously occupied the facility, and the date such
364 entity last occupied the facility.

365 4. A copy of the contract to reuse the facility, or such
 366 alternative proof as may be prescribed by the office that the
 367 applicant is seeking to contract for the reuse of such facility.

368 5. The date the contract to reuse the facility was
 369 executed or is expected to be executed, and the date the
 370 contract is due to expire or is expected to expire.

371 6. The commencement date for project operations under the
 372 contract in this state.

373 7. The number of net new full-time equivalent Florida jobs
 374 included in the project as of December 31 of each year and the
 375 average wage of such jobs.

376 8. The total number of full-time equivalent employees
 377 employed by the applicant in this state.

378 9. The number of full-time equivalent jobs in this state
 379 to be retained by the project.

380 ~~10. The estimated amount of tax refunds to be claimed for~~
 381 ~~each fiscal year.~~

382 10.11. A brief statement concerning the applicant's need
 383 for tax refunds, and the proposed uses of such refunds by the
 384 applicant.

385 11.12. A resolution adopted by the governing board ~~county~~
 386 ~~commissioners~~ of the county or municipality in which the project
 387 will be located, which recommends the applicant be approved as a
 388 qualified applicant, and which indicates that the necessary
 389 commitments of local financial support for the applicant exist.
 390 Prior to the adoption of the resolution, the county commission
 391 may review the proposed public or private sources of such
 392 support and determine whether the proposed sources of local

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393 financial support can be provided or, for any applicant whose
394 project is located in a county designated by the Rural Economic
395 Development Initiative, a resolution adopted by the county
396 commissioners of such county requesting that the applicant's
397 project be exempt from the local financial support requirement.

398 ~~12.13.~~ Any additional information requested by the office.

399 (e) To qualify for review by the office, the application
400 of an applicant must, at a minimum, establish the following to
401 the satisfaction of the office:

402 1. The jobs proposed to be provided under the application,
403 pursuant to subparagraph (b)6., ~~or~~ subparagraph (c)6., or
404 subparagraph (k)6., must pay an estimated annual average wage
405 equaling at least 115 percent of the average wage in the area
406 where the project is to be located.

407 2. The consolidation of a Department of Defense contract
408 must result in a net increase of at least 25 percent in the
409 number of jobs at the applicant's facilities in this state or
410 the addition of at least 80 jobs at the applicant's facilities
411 in this state.

412 3. The conversion of defense production jobs to nondefense
413 production jobs must result in net increases in nondefense
414 employment at the applicant's facilities in this state.

415 4. The Department of Defense contract or the space flight
416 business contract cannot allow the business to include the costs
417 of relocation or retooling in its base as allowable costs under
418 a cost-plus, or similar, contract.

419 5. A business unit of the applicant must have derived not
420 less than 60 percent of its gross receipts in this state from

421 Department of Defense contracts or space flight business
 422 contracts over the applicant's last fiscal year, and must have
 423 derived not less than an average of 60 percent of its gross
 424 receipts in this state from Department of Defense contracts over
 425 the 5 years preceding the date an application is submitted
 426 pursuant to this section. This subparagraph does not apply to
 427 any application for certification based on a contract for reuse
 428 of a defense-related facility.

429 6. The reuse of a defense-related facility must result in
 430 the creation of at least 100 jobs at such facility.

431 7. A new space flight business contract or the
 432 consolidation of a space flight business contract must result in
 433 net increases in space flight business employment at the
 434 applicant's facilities in this state.

435 (f) Each application meeting the requirements of
 436 paragraphs (b) and (e), paragraphs (c) and (e), ~~or~~ paragraphs
 437 (d) and (e), or paragraphs (e) and (k) must be submitted to the
 438 office for a determination of eligibility. The office shall
 439 review and, evaluate, ~~and score~~ each application based on, but
 440 not limited to, the following criteria:

441 1. Expected contributions to the state strategic economic
 442 development plan adopted by Enterprise Florida, Inc., taking
 443 into account the extent to which the project contributes to the
 444 state's high-technology base, and the long-term impact of the
 445 project and the applicant on the state's economy.

446 2. The economic benefit of the jobs created or retained by
 447 the project in this state, taking into account the cost and

448 average wage of each job created or retained, and the potential
 449 risk to existing jobs.

450 3. The amount of capital investment to be made by the
 451 applicant in this state.

452 4. The local commitment and support for the project and
 453 applicant.

454 5. The impact of the project on the local community,
 455 taking into account the unemployment rate for the county where
 456 the project will be located.

457 6. The dependence of the local community on the defense
 458 industry or space flight business.

459 7. The impact of any tax refunds granted pursuant to this
 460 section on the viability of the project and the probability that
 461 the project will occur in this state if such tax refunds are
 462 granted to the applicant, taking into account the expected long-
 463 term commitment of the applicant to economic growth and
 464 employment in this state.

465 8. The length of the project, or the expected long-term
 466 commitment to this state resulting from the project.

467 (g) The office shall forward its written findings and
 468 evaluation on each application meeting the requirements of
 469 paragraphs (b) and (e), paragraphs (c) and (e), ~~or~~ paragraphs
 470 (d) and (e), or paragraphs (e) and (k) to the director within 60
 471 calendar days after receipt of a complete application. The
 472 office shall notify each applicant when its application is
 473 complete, and when the 60-day period begins. In its written
 474 report to the director, the office shall specifically address
 475 each of the factors specified in paragraph (f), and shall make a

476 specific assessment with respect to the minimum requirements
 477 established in paragraph (e). The office shall include in its
 478 report projections of the tax refunds the applicant would be
 479 eligible to receive in each fiscal year based on the creation
 480 and maintenance of the net new Florida jobs specified in
 481 subparagraph (b)6., subparagraph (c)6., ~~or~~ subparagraph (d)7.,
 482 or subparagraph (k)6. as of December 31 of the preceding state
 483 fiscal year.

484 (h) Within 30 days after receipt of the office's findings
 485 and evaluation, the director shall issue a letter of
 486 certification which either approves or disapproves an
 487 application. The decision must be in writing and provide the
 488 justifications for either approval or disapproval. If
 489 appropriate, the director shall enter into a written agreement
 490 with the qualified applicant pursuant to subsection (4).

491 (i) The director may not certify any applicant as a
 492 qualified applicant when the value of tax refunds to be included
 493 in that letter of certification exceeds the available amount of
 494 authority to certify new businesses as determined in s.
 495 288.095(3). A letter of certification that approves an
 496 application must specify the maximum amount of a tax refund that
 497 is to be available to the contractor for each fiscal year and
 498 the total amount of tax refunds for all fiscal years.

499 (j) This section does not create a presumption that an
 500 applicant should receive any tax refunds under this section.

501 (k) Applications for certification based upon a new space
 502 flight business contract or the consolidation of a space flight
 503 business contract must be submitted to the office as prescribed

504 by the office and must include, but are not limited to, the
505 following information:

506 1. The applicant's federal employer identification number,
507 the applicant's Florida sales tax registration number, and a
508 signature of an officer of the applicant.

509 2. The permanent location of the space flight business
510 facility in this state where the project is or will be located.

511 3. The new space flight business contract number, the
512 space flight business contract numbers of the contract to be
513 consolidated, or the request-for-proposal number of a proposed
514 space flight business contract.

515 4. The date the contract was executed and the date the
516 contract is due to expire, is expected to expire, or was
517 canceled.

518 5. The commencement date for project operations under the
519 contract in this state.

520 6. The number of net new full-time equivalent Florida jobs
521 included in the project as of December 31 of each year and the
522 average wage of such jobs.

523 7. The total number of full-time equivalent employees
524 employed by the applicant in this state.

525 8. The percentage of the applicant's gross receipts
526 derived from space flight business contracts during the 5
527 taxable years immediately preceding the date the application is
528 submitted.

529 9. The number of full-time equivalent jobs in this state
530 to be retained by the project.

531 10. A brief statement concerning the applicant's need for
532 tax refunds and the proposed uses of such refunds by the
533 applicant.

534 11. A resolution adopted by the governing board of the
535 county or municipality in which the project will be located
536 which recommends the applicant be approved as a qualified
537 applicant and indicates that the necessary commitments of local
538 financial support for the applicant exist. Prior to the adoption
539 of the resolution, the county commission may review the proposed
540 public or private sources of such support and determine whether
541 the proposed sources of local financial support can be provided
542 or, for any applicant whose project is located in a county
543 designated by the Rural Economic Development Initiative, a
544 resolution adopted by the county commissioners of such county
545 requesting that the applicant's project be exempt from the local
546 financial support requirement.

547 12. Any additional information requested by the office.

548 (4) QUALIFIED APPLICANT ~~DEFENSE CONTRACTOR~~ TAX REFUND
549 AGREEMENT.--

550 (a) A qualified applicant shall enter into a written
551 agreement with the office containing, but not limited to, the
552 following:

553 1. The total number of full-time equivalent jobs in this
554 state that are or will be dedicated to the qualified applicant's
555 project, the average wage of such jobs, the definitions that
556 will apply for measuring the achievement of these terms during
557 the pendency of the agreement, and a time schedule or plan for
558 when such jobs will be in place and active in this state.

559 2. The maximum amount of a refund that the qualified
560 applicant is eligible to receive for each fiscal year, based on
561 the job creation or retention and maintenance schedule specified
562 in subparagraph 1.

563 3. An agreement with the office allowing the office to
564 review and verify the financial and personnel records of the
565 qualified applicant to ascertain whether the qualified applicant
566 is complying with the requirements of this section.

567 4. The date by which, in each fiscal year, the qualified
568 applicant may file a claim pursuant to subsection (5) to be
569 considered to receive a tax refund in the following fiscal year.

570 5. That local financial support shall be annually
571 available and will be paid to the Economic Development Trust
572 Fund.

573 (b) Compliance with the terms and conditions of the
574 agreement is a condition precedent for receipt of tax refunds
575 each year. The failure to comply with the terms and conditions
576 of the agreement shall result in the loss of eligibility for
577 receipt of all tax refunds previously authorized pursuant to
578 this section, and the revocation of the certification as a
579 qualified applicant by the director, unless the qualified
580 applicant is eligible to receive and elects to accept a prorated
581 refund under paragraph (5)(g) or the office grants the qualified
582 applicant an economic-stimulus exemption.

583 1. A qualified applicant may submit, in writing, a request
584 to the office for an economic-stimulus exemption. The request
585 must provide quantitative evidence demonstrating how negative
586 economic conditions in the qualified applicant's industry, the

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587 effects of the impact of a named hurricane or tropical storm, or
588 specific acts of terrorism affecting the qualified applicant
589 have prevented the qualified applicant from complying with the
590 terms and conditions of its tax refund agreement.

591 2. Upon receipt of a request under subparagraph 1., the
592 director shall have 45 days to notify the requesting qualified
593 applicant, in writing, if its exemption has been granted or
594 denied. In determining if an exemption should be granted, the
595 director shall consider the extent to which negative economic
596 conditions in the requesting qualified applicant's industry, the
597 effects of the impact of a named hurricane or tropical storm, or
598 specific acts of terrorism affecting the qualified applicant
599 have prevented the qualified applicant from complying with the
600 terms and conditions of its tax refund agreement.

601 3. As a condition for receiving a prorated refund under
602 paragraph (5)(g) or an economic-stimulus exemption under this
603 paragraph, a qualified applicant must agree to renegotiate its
604 tax refund agreement with the office to, at a minimum, ensure
605 that the terms of the agreement comply with current law and
606 office procedures governing application for and award of tax
607 refunds. Upon approving the award of a prorated refund or
608 granting an economic-stimulus exemption, the office shall
609 renegotiate the tax refund agreement with the qualified
610 applicant as required by this subparagraph. When amending the
611 agreement of a qualified applicant receiving an economic-
612 stimulus exemption, the office may extend the duration of the
613 agreement for a period not to exceed 2 years.

614 4. A qualified applicant may submit a request for an
 615 economic-stimulus exemption to the office in lieu of any tax
 616 refund claim scheduled to be submitted after January 1, 2005,
 617 but before July 1, 2006.

618 5. A qualified applicant that receives an economic-
 619 stimulus exemption may not receive a tax refund for the period
 620 covered by the exemption.

621 (c) The agreement shall be signed by the director and the
 622 authorized officer of the qualified applicant.

623 (d) The agreement must contain the following legend,
 624 clearly printed on its face in bold type of not less than 10
 625 points:

626
 627 "This agreement is neither a general obligation of the State of
 628 Florida, nor is it backed by the full faith and credit of the
 629 State of Florida. Payment of tax refunds are conditioned on and
 630 subject to specific annual appropriations by the Florida
 631 Legislature of funds sufficient to pay amounts authorized in s.
 632 288.1045, Florida Statutes."

633 (5) ANNUAL CLAIM FOR REFUND ~~FROM A QUALIFIED DEFENSE~~
 634 ~~CONTRACTOR.~~ --

635 (a) To be eligible to claim any scheduled tax refund,
 636 qualified applicants who have entered into a written agreement
 637 with the office pursuant to subsection (4) and who have entered
 638 into a valid new Department of Defense contract, entered into a
 639 valid new space flight business contract, commenced the
 640 consolidation of a space flight business contract, commenced the
 641 consolidation of a Department of Defense contract, commenced the

642 conversion of defense production jobs to nondefense production
643 jobs, or entered into a valid contract for reuse of a defense-
644 related facility must apply by January 31 of each fiscal year to
645 the office for tax refunds scheduled to be paid from the
646 appropriation for the fiscal year that begins on July 1
647 following the January 31 claims-submission date. The office may,
648 upon written request, grant a 30-day extension of the filing
649 date. The application must include a notarized signature of an
650 officer of the applicant.

651 (b) The claim for refund by the qualified applicant must
652 include a copy of all receipts pertaining to the payment of
653 taxes for which a refund is sought, and data related to
654 achieving each performance item contained in the tax refund
655 agreement pursuant to subsection (4). The amount requested as a
656 tax refund may not exceed the amount for the relevant fiscal
657 year in the written agreement entered pursuant to subsection
658 (4).

659 (c) A tax refund may not be approved for any qualified
660 applicant unless local financial support has been paid to the
661 Economic Development Trust Fund for that refund. If the local
662 financial support is less than 20 percent of the approved tax
663 refund, the tax refund shall be reduced. The tax refund paid may
664 not exceed 5 times the local financial support received. Funding
665 from local sources includes tax abatement under s. 196.1995 or
666 the appraised market value of municipal or county land,
667 including any improvements or structures, conveyed or provided
668 at a discount through a sale or lease to that applicant provided
669 to a qualified applicant. The amount of any tax refund for an

670 applicant approved under this section shall be reduced by the
671 amount of any such tax abatement granted or the value of the
672 land granted, including the value of any improvements or
673 structures; and the limitations in subsection (2) and paragraph
674 (3)(h) shall be reduced by the amount of any such tax abatement
675 or the value of the land granted, including any improvements or
676 structures. A report listing all sources of the local financial
677 support shall be provided to the office when such support is
678 paid to the Economic Development Trust Fund.

679 (d) The director, with assistance from the office, the
680 Department of Revenue, and the Agency for Workforce Innovation,
681 shall, by June 30 following the scheduled date for submitting
682 the tax refund claim, specify by written order the approval or
683 disapproval of the tax refund claim and, if approved, the amount
684 of the tax refund that is authorized to be paid to the qualified
685 applicant for the annual tax refund. The office may grant an
686 extension of this date upon the request of the qualified
687 applicant for the purpose of filing additional information in
688 support of the claim.

689 (e) The total amount of tax refunds approved by the
690 director under this section in any fiscal year may not exceed
691 the amount authorized under s. 288.095(3).

692 (f) Upon approval of the tax refund pursuant to paragraphs
693 (c) and (d), the Chief Financial Officer shall issue a warrant
694 for the amount included in the written order. In the event of
695 any appeal of the written order, the Chief Financial Officer may
696 not issue a warrant for a refund to the qualified applicant
697 until the conclusion of all appeals of the written order.

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698 (g) A prorated tax refund, less a 5 percent penalty, shall
699 be approved for a qualified applicant provided all other
700 applicable requirements have been satisfied and the applicant
701 proves to the satisfaction of the director that it has achieved
702 at least 80 percent of its projected employment and that the
703 average wage paid by the qualified applicant is at least 90
704 percent of the average wage specified in the tax refund
705 agreement, but in no case less than 115 percent of the average
706 private sector wage in the area available at the time of
707 certification. The prorated tax refund shall be calculated by
708 multiplying the tax refund amount for which the qualified
709 applicant would have been eligible, if all applicable
710 requirements had been satisfied, by the percentage of the
711 average employment specified in the tax refund agreement which
712 was achieved, and by the percentage of the average wages
713 specified in the tax refund agreement which was achieved.

714 (h) This section does not create a presumption that a tax
715 refund claim will be approved and paid.

716 (6) ADMINISTRATION.--

717 ~~(d) By December 1 of each year, the office shall submit a~~
718 ~~complete and detailed report to the Governor, the President of~~
719 ~~the Senate, and the Speaker of the House of Representatives of~~
720 ~~all tax refunds paid under this section, including analyses of~~
721 ~~benefits and costs, types of projects supported, employment and~~
722 ~~investment created, geographic distribution of tax refunds~~
723 ~~granted, and minority business participation. The report must~~
724 ~~indicate whether the moneys appropriated by the Legislature to~~

725 ~~the qualified applicant tax refund program were expended in a~~
 726 ~~prudent, fiducially sound manner.~~

727 (d)~~(e)~~ Funds specifically appropriated for the tax refund
 728 program under this section may not be used for any purpose other
 729 than the payment of tax refunds authorized by this section.

730 (8) EXPIRATION.--An applicant may not be certified as
 731 qualified under this section after June 30, 2014 ~~2010~~. A tax
 732 refund agreement existing on that date shall continue in effect
 733 in accordance with its terms.

734 Section 2. Paragraph (f) of subsection (2) of section
 735 14.2015, Florida Statutes, is amended to read:

736 14.2015 Office of Tourism, Trade, and Economic
 737 Development; creation; powers and duties.--

738 (2) The purpose of the Office of Tourism, Trade, and
 739 Economic Development is to assist the Governor in working with
 740 the Legislature, state agencies, business leaders, and economic
 741 development professionals to formulate and implement coherent
 742 and consistent policies and strategies designed to provide
 743 economic opportunities for all Floridians. To accomplish such
 744 purposes, the Office of Tourism, Trade, and Economic Development
 745 shall:

746 (f)1. Administer the Florida Enterprise Zone Act under ss.
 747 290.001-290.016, the community contribution tax credit program
 748 under ss. 220.183 and 624.5105, the tax refund program for
 749 qualified target industry businesses under s. 288.106, the tax-
 750 refund program for qualified defense contractors and space
 751 flight business contractors under s. 288.1045, contracts for
 752 transportation projects under s. 288.063, the sports franchise

753 facility program under s. 288.1162, the professional golf hall
754 of fame facility program under s. 288.1168, the expedited
755 permitting process under s. 403.973, the Rural Community
756 Development Revolving Loan Fund under s. 288.065, the Regional
757 Rural Development Grants Program under s. 288.018, the Certified
758 Capital Company Act under s. 288.99, the Florida State Rural
759 Development Council, the Rural Economic Development Initiative,
760 and other programs that are specifically assigned to the office
761 by law, by the appropriations process, or by the Governor.
762 Notwithstanding any other provisions of law, the office may
763 expend interest earned from the investment of program funds
764 deposited in the Grants and Donations Trust Fund to contract for
765 the administration of the programs, or portions of the programs,
766 enumerated in this paragraph or assigned to the office by law,
767 by the appropriations process, or by the Governor. Such
768 expenditures shall be subject to review under chapter 216.

769 2. The office may enter into contracts in connection with
770 the fulfillment of its duties concerning the Florida First
771 Business Bond Pool under chapter 159, tax incentives under
772 chapters 212 and 220, tax incentives under the Certified Capital
773 Company Act in chapter 288, foreign offices under chapter 288,
774 the Enterprise Zone program under chapter 290, the Seaport
775 Employment Training program under chapter 311, the Florida
776 Professional Sports Team License Plates under chapter 320,
777 Spaceport Florida under chapter 331, Expedited Permitting under
778 chapter 403, and in carrying out other functions that are
779 specifically assigned to the office by law, by the
780 appropriations process, or by the Governor.

781 Section 3. Paragraph (k) of subsection (8) of section
 782 213.053, Florida Statutes, is amended to read:

783 213.053 Confidentiality and information sharing.--

784 (8) Notwithstanding any other provision of this section,
 785 the department may provide:

786 (k)1. Payment information relative to chapters 199, 201,
 787 212, 220, 221, and 624 to the Office of Tourism, Trade, and
 788 Economic Development, or its employees or agents that are
 789 identified in writing by the office to the department, in the
 790 administration of the tax refund program for qualified defense
 791 contractors and space flight business contractors authorized by
 792 s. 288.1045 and the tax refund program for qualified target
 793 industry businesses authorized by s. 288.106.

794 2. Information relative to tax credits taken by a business
 795 under s. 220.191 and exemptions or tax refunds received by a
 796 business under s. 212.08(5)(j) to the Office of Tourism, Trade,
 797 and Economic Development, or its employees or agents that are
 798 identified in writing by the office to the department, in the
 799 administration and evaluation of the capital investment tax
 800 credit program authorized in s. 220.191 and the semiconductor,
 801 defense, and space tax exemption program authorized in s.
 802 212.08(5)(j).

803
 804 Disclosure of information under this subsection shall be
 805 pursuant to a written agreement between the executive director
 806 and the agency. Such agencies, governmental or nongovernmental,
 807 shall be bound by the same requirements of confidentiality as
 808 the Department of Revenue. Breach of confidentiality is a

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809 | misdemeanor of the first degree, punishable as provided by s.
810 | 775.082 or s. 775.083.

811 | Section 4. This act shall take effect July 1, 2008.