

By Senator Bullard

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1                   A bill to be entitled  
2           An act relating to super enterprise zones; amending s.  
3           212.02, F.S.; defining the "certified business" for  
4           purpose of a tax exemption provided to certain businesses  
5           located within a super enterprise zone; providing for  
6           future repeal; amending s. 212.08, F.S.; exempting certain  
7           property purchased for use or consumption by businesses in  
8           a super enterprise zone and retail sales by certified  
9           businesses in a super enterprise zone; providing an  
10          exception; specifying time periods for application of the  
11          exemptions for certain businesses; providing for future  
12          repeal; amending s. 290.0056, F.S.; providing additional  
13          responsibilities of an enterprise zone development agency  
14          relating to super enterprise zones; requiring an economic  
15          impact report; providing for future repeal; amending s.  
16          290.0057, F.S.; applying requirements for an enterprise  
17          zone development plan to super enterprise zones; creating  
18          s. 290.00681, F.S.; requiring the Office of Tourism,  
19          Trade, and Economic Development to designate specified  
20          areas in Miami-Dade County as pilot project super  
21          enterprise zones for a certain period; providing  
22          qualification criteria; providing application  
23          requirements; providing for future repeal and revocation  
24          of the designation; creating s. 290.00682, F.S.; providing  
25          requirements for qualification as a certified business for  
26          sales tax exemption purposes; authorizing a local  
27          enterprise zone development agency to certify businesses;  
28          requiring the agency to provide lists of certified  
29          businesses; providing for disqualifying certified

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30 businesses under certain circumstances; providing for  
31 future repeal and revocation of certifications; amending  
32 s. 290.007, F.S.; specifying incentives for revitalization  
33 of super enterprise zones; requiring interim and final  
34 reviews of super enterprise zones by the Office of Program  
35 Policy Analysis and Government Accountability; providing  
36 review of criteria; requiring reports to the Legislature;  
37 providing effective dates.

38  
39 Be It Enacted by the Legislature of the State of Florida:

40  
41 Section 1. Subsection (34) is added to section 212.02,  
42 Florida Statutes, to read:

43 212.02 Definitions.--The following terms and phrases when  
44 used in this chapter have the meanings ascribed to them in this  
45 section, except where the context clearly indicates a different  
46 meaning:

47 (34) "Certified business" means a business located in a  
48 super enterprise zone that is certified under s. 290.00682. This  
49 subsection is repealed June 30, 2021.

50 Section 2. Subsection (19) is added to section 212.08,  
51 Florida Statutes, to read:

52 212.08 Sales, rental, use, consumption, distribution, and  
53 storage tax; specified exemptions.--The sale at retail, the  
54 rental, the use, the consumption, the distribution, and the  
55 storage to be used or consumed in this state of the following are  
56 hereby specifically exempt from the tax imposed by this chapter.

57 (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.--

58 (a) The tax imposed by this chapter does not apply to:

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59       1. Tangible personal property purchased by a certified  
60 business for the exclusive use or consumption of that business  
61 within a super enterprise zone; or

62       2. Retail sales of tangible personal property made by a  
63 certified business from a place of business that is owned or  
64 leased and operated by the business for the purpose of making  
65 retail sales and that is located in a super enterprise zone. The  
66 exemption provided by this subparagraph does not apply to the  
67 retail sale of any item having a price greater than \$1,000. In  
68 order to qualify for the exemption under this subparagraph, the  
69 purchaser must take possession of the qualified item within the  
70 super enterprise zone or the qualified item must be shipped from  
71 inside the super enterprise zone; however, the item may be  
72 shipped to any location. For purposes of this section, each  
73 qualified sale made by a certified business that is located in a  
74 super enterprise zone shall be deemed to have occurred within the  
75 super enterprise zone regardless of where the transfer of title  
76 or possession takes place.

77       (b) Notwithstanding paragraph (a), a new business  
78 established in a super enterprise zone and certified on or after  
79 July 1, 2009, pursuant to s. 290.00682, is eligible for the  
80 exemptions provided under this subsection for a period not to  
81 exceed 10 years immediately following such certification. For an  
82 existing business located in a super enterprise zone and  
83 certified on or after July 1, 2009, the exemptions provided under  
84 this subsection are available for a period not to exceed 5 years,  
85 beginning in the year in which the business receives its initial  
86 certification and continuing for up to 5 years immediately  
87 following such certification.

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88        (c) This subsection is repealed June 30, 2021.

89        Section 3. Paragraph (i) is added to subsection (8) of  
90 section 290.0056, Florida Statutes, present paragraph (f) of  
91 subsection (11) of that section is redesignated as paragraph (g),  
92 and a new paragraph (f) is added to that subsection, to read:

93        290.0056 Enterprise zone development agency.--

94        (8) The enterprise zone development agency shall have the  
95 following powers and responsibilities:

96        (i)1. To recommend and submit an application to the office  
97 for the designation of a super enterprise zone.

98        2. To coordinate with the local governmental entity for the  
99 exemptions from the sales and use tax provided under s.

100 212.08(19).

101

102 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,  
103 this paragraph is repealed June 30, 2021.

104        (11) Prior to December 1 of each year, the agency shall  
105 submit to the Office of Tourism, Trade, and Economic Development  
106 a complete and detailed written report setting forth:

107        (f) The economic impact of a super enterprise zone, if  
108 applicable, including:

109        1. A list of certified businesses and whether the business  
110 is new or where the business relocated from.

111        2. The number of jobs created.

112        3. The percentage of employees employed by certified  
113 businesses who reside in the super enterprise zone or in an  
114 enterprise zone within the same county.

115        4. The extent of capital investment by certified businesses  
116 within the zone.

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117       5. The success of the super enterprise zone as measured by  
118 the strategic plan and methods identified in s. 290.0057(1) (i).

119  
120 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,  
121 this paragraph is repealed June 30, 2020.

122       Section 4. Subsection (1) of section 290.0057, Florida  
123 Statutes, is amended to read:

124       290.0057 Enterprise zone development plan.--

125       (1) Any application for designation as a new enterprise  
126 zone or super enterprise zone must be accompanied by a strategic  
127 plan adopted by the governing body of the municipality or county,  
128 or the governing bodies of the county and one or more  
129 municipalities together. At a minimum, the plan must:

130       (a) Briefly describe the community's goals for revitalizing  
131 the area.

132       (b) Describe the ways in which the community's approaches  
133 to economic development, social and human services,  
134 transportation, housing, community development, public safety,  
135 and educational and environmental concerns will be addressed in a  
136 coordinated fashion, and explain how these linkages support the  
137 community's goals.

138       (c) Identify and describe key community goals and the  
139 barriers that restrict the community from achieving these goals,  
140 including a description of poverty and general distress, barriers  
141 to economic opportunity and development, and barriers to human  
142 development.

143       (d) Describe the process by which the affected community is  
144 a full partner in the process of developing and implementing the  
145 plan and the extent to which local institutions and organizations

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146 have contributed to the planning process.

147 (e) Commit the governing body or bodies to enact and  
148 maintain local fiscal and regulatory incentives, if approval for  
149 the area is received under s. 290.0065. These incentives may  
150 include the municipal public service tax exemption provided by s.  
151 166.231, the economic development ad valorem tax exemption  
152 provided by s. 196.1995, the business tax exemption provided by  
153 s. 205.054, local impact fee abatement or reduction, or low-  
154 interest or interest-free loans or grants to businesses to  
155 encourage the revitalization of the nominated area.

156 (f) Identify the amount of local and private resources that  
157 will be available in the nominated area and the private-public  
158 ~~private/public~~ partnerships to be used, which may include  
159 participation by, and cooperation with, universities, community  
160 colleges, small business development centers, black business  
161 investment corporations, certified development corporations, and  
162 other private and public entities.

163 (g) Indicate how state enterprise zone tax incentives and  
164 state, local, and federal resources will be used ~~utilized~~ within  
165 the nominated area.

166 (h) Identify the funding requested under any state or  
167 federal program in support of the proposed economic, human,  
168 community, and physical development and related activities.

169 (i) Identify baselines, methods, and benchmarks for  
170 measuring the success of carrying out the strategic plan.

171 Section 5. Sections 290.00681 and 290.00682, Florida  
172 Statutes, are created to read:

173 290.00681 Super enterprise zone pilot project; designation;  
174 future repeal and revocation.--

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175       (1) The Office of Tourism, Trade, and Economic Development  
176 shall designate four areas in the state as super enterprise zones  
177 for a 10-year period. These areas shall serve as a pilot project  
178 for this program. Specifically, the area in Miami-Dade County  
179 bordered by Northwest 23rd Street to the north, Northwest 5th  
180 Street to the south, Northeast 1st Avenue to the east, and  
181 Northwest 8th Avenue to the west shall be designated as a super  
182 enterprise zone and the area of Overtown in Miami-Dade County  
183 shall be designated as super enterprise zones. In order to  
184 qualify as a super enterprise zone an area must:

185       (a) Be located in an enterprise zone and be no larger than  
186 3 contiguous square miles.

187       (b) Have an average unemployment rate four times greater  
188 than the state average.

189       (c) Have a minimum of 40 percent of residents living below  
190 the federal poverty level.

191       (d) Have general distress of business and residential  
192 property such that the local governing body by resolution has  
193 determined that the buildings are substandard, unsafe,  
194 unsanitary, dilapidated, or obsolete, or any combination of such  
195 conditions, and are detrimental to the safety, health, and  
196 welfare of the community.

197       (e) Demonstrate evidence of significant job loss or  
198 dislocation in the area.

199  
200 In determining whether an area meets the criteria of this  
201 subsection for unemployment, poverty, and general distress, the  
202 office shall use data from the most current decennial census and  
203 from information published by the Bureau of the Census and the

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204 Bureau of Labor Statistics. The data shall be comparable in point  
205 or period of time and methodology employed.

206 (2) Any application for designation as a super enterprise  
207 zone must:

208 (a) Briefly describe the community's goals for revitalizing  
209 the area and include a development plan.

210 (b) Describe the ways in which the community's approach to  
211 economic development, social and human services, transportation,  
212 housing, community development, public safety, and educational  
213 and environmental concerns will be addressed in a coordinated  
214 fashion and explain how these linkages support the community's  
215 goals.

216 (c) Identify and describe key community goals and the  
217 barriers that restrict the community from achieving these goals.

218 (d) Identify the amount of local and private support and  
219 resources that will be available.

220 (e) Identify baselines, methods, and benchmarks for  
221 measuring success.

222 (f) Include written approval from any associated county  
223 office and mayor's office.

224 (3) This section is repealed June 30, 2021, and any  
225 designation made pursuant to this section shall be revoked on  
226 that date.

227 290.00682 Super enterprise zones; business certification.--

228 (1) A certified business is eligible for the tax exemptions  
229 provided in s. 212.08(19). In order to qualify as a certified  
230 business, receive an exemption certificate, and continue to  
231 receive the tax exemptions provided in s. 212.08(19), a business  
232 must:



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233 (a) File an application for certification with the local  
234 enterprise zone development agency. The application shall be  
235 filed no later than September 1 preceding the calendar year for  
236 which the business is seeking an exemption.

237 (b) Operate and be located within a designated super  
238 enterprise zone.

239 (c) Create new employment within the super enterprise zone  
240 while not causing unemployment elsewhere in the state.

241 (d) Certify to the best of the business's knowledge that  
242 the business has no delinquent federal or state tax obligations.

243 (e) Demonstrate that no fewer than 20 percent of its  
244 employees are residents of the designated super enterprise zone  
245 or an enterprise zone located within the same county. The  
246 employment requirement may be waived by the local enterprise zone  
247 development agency for good cause.

248 (2) A local enterprise zone development agency may certify  
249 a business as eligible for the exemptions under s. 212.08(19)  
250 annually if the business meets the requirements in subsection  
251 (1). Each local enterprise zone development agency shall  
252 annually provide the local governmental entity, the office, and  
253 the Department of Revenue with a list of new and existing  
254 certified businesses. The Department of Revenue shall annually  
255 issue a tax exemption certificate to each business holding an  
256 exemption certificate issued by the local enterprise zone  
257 development agency. The certificate shall be good for 1 calendar  
258 year.

259 (3) A local enterprise zone development agency may  
260 disqualify a certified business at any time if the business fails  
261 to meet the requirements of subsection (1). A business that makes

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262 a fraudulent claim under this section or for tax exemptions  
263 provided in s. 212.08(19) is liable for the payment of the tax  
264 due, together with the penalties set forth in s. 212.085, and as  
265 otherwise provided by law.

266 (4) This section is repealed June 30, 2021, and any  
267 certification made pursuant to this section shall be revoked on  
268 that date.

269 Section 6. Section 290.007, Florida Statutes, is amended to  
270 read:

271 290.007 State incentives available in enterprise zones and  
272 super enterprise zones.--

273 (1) The following incentives are provided by the state to  
274 encourage the revitalization of enterprise zones:

275 (a)~~(1)~~ The enterprise zone jobs credit provided in s.  
276 220.181.

277 (b)~~(2)~~ The enterprise zone property tax credit provided in  
278 s. 220.182.

279 (c)~~(3)~~ The community contribution tax credits provided in  
280 ss. 212.08, 220.183, and 624.5105.

281 (d)~~(4)~~ The sales tax exemption for building materials used  
282 in the rehabilitation of real property in enterprise zones  
283 provided in s. 212.08(5)(g).

284 (e)~~(5)~~ The sales tax exemption for business equipment used  
285 in an enterprise zone provided in s. 212.08(5)(h).

286 (f)~~(6)~~ The sales tax exemption for electrical energy used  
287 in an enterprise zone provided in s. 212.08(15).

288 (g)~~(7)~~ The enterprise zone jobs credit against the sales  
289 tax provided in s. 212.096.

290 (h)~~(8)~~ Notwithstanding any law to the contrary, the Public

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291 Service Commission may allow public utilities and  
292 telecommunications companies to grant discounts of up to 50  
293 percent on tariffed rates for services to small businesses  
294 located in an enterprise zone designated pursuant to s. 290.0065.  
295 Such discounts may be granted for a period not to exceed 5 years.  
296 For purposes of this paragraph ~~subsection~~, the term "public  
297 utility" has the same meaning as in s. 366.02(1) and the term  
298 "telecommunications company" has the same meaning as in s.  
299 364.02(14).

300 (2) The following incentives are provided by the state to  
301 encourage the revitalization of super enterprise zones:

302 (a) The sales tax exemption for certified businesses  
303 provided in s. 212.08(19)(a)1.

304 (b) The sales tax exemption for retail sales by certified  
305 businesses provided in s. 212.08(19)(a)2.

306 Section 7. Before the 2015 Regular Session of the  
307 Legislature, the Office of Program Policy Analysis and Government  
308 Accountability shall conduct an interim review and evaluation of  
309 the effectiveness and viability of the super enterprise zones  
310 designated under s. 290.00681, Florida Statutes. The office shall  
311 specifically evaluate whether relief from the specified taxes  
312 caused or induced new investment and development in the super  
313 enterprise zones; increased the number of jobs created or  
314 retained in the super enterprise zones; caused or induced the  
315 renovation, rehabilitation, restoration, improvement, or new  
316 construction of businesses or housing within the super enterprise  
317 zones; or contributed to the economic viability and profitability  
318 of business and commerce located within the super enterprise  
319 zones. The office shall submit a report of its findings and

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320 recommendations to the President of the Senate and the Speaker of  
321 the House of Representatives no later than December 1, 2014. In  
322 2020, the office shall conduct a final review in accordance with  
323 this section and shall make a final report to the President of  
324 the Senate and the Speaker of the House of Representatives no  
325 later than December 1, 2020.

326 Section 8. This act shall take effect July 1, 2008.