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CHAMBER ACTION

Senate

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House

1 The Committee on Commerce (Saunders) recommended the following
2 **amendment:**

3
4 **Senate Amendment (with title amendment)**

5 Delete everything after the enacting clause
6 and insert:

7
8 Section 1. Part XIII of chapter 288, Florida Statutes,
9 consisting of section 288.991, is created to read:

10 288.991 New Markets Tax Credit.--

11 (1) PURPOSE.--The New Markets Tax Credit program is
12 established to encourage capital investment in rural and urban
13 low-income communities by allowing state taxpayers to receive
14 future credit against specified state taxes by investing in
15 community development entities that make quality equity

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16 investments in qualified active low-income community businesses
17 that create jobs by leveraging credit available from the federal
18 New Markets Tax Credit Program.

19 (2) DEFINITIONS.--As used in this section, the term:

20 (a) "Adjusted purchase price" means the product of the
21 amount paid at issuance for a qualified equity investment and a
22 fraction of which:

23 1. The numerator is the dollar amount of qualified
24 low-income community investments made in this state from the
25 issuance of a qualified equity investment held by a qualified
26 community development entity on the applicable credit allowance
27 date; and

28 2. The denominator is the total dollar amount of qualified
29 low-income community investments made from the issuance of a
30 qualified equity investment held by a qualified community
31 development entity on the applicable credit allowance date.

32 (b) "Credit allowance date" means:

33 1. The first anniversary of the date that a qualified
34 equity investment is initially made; and

35 2. Each of the six subsequent anniversaries of that date.

36 (c) "Department" means the Department of Revenue.

37 (d) "Long-term debt security" means a debt instrument
38 issued by a qualified community development entity, at par value
39 or a premium, having an original maturity date of at least 7
40 years from the date of issuance, with no acceleration for
41 repayment, amortization, or prepayment features before its
42 original maturity date and having no distribution, payment, or
43 interest features related to the profitability of the qualified

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44 community development entity or the performance of the entity's
45 investment portfolio. This paragraph does not limit the holder's
46 ability to accelerate payments on the debt instrument in
47 situations where the qualified community development entity has
48 defaulted on covenants designed to ensure compliance with this
49 section or s. 45D of the Internal Revenue Code of 1986, as
50 amended.

51 (e) "Low-income community" means any population census
52 tract within the state where:

53 1. The federal individual poverty rate is at least 20
54 percent; or

55 2. In the case of a tract that is:

56 a. Not located within a metropolitan area, the median
57 family income does not exceed 80 percent of the statewide median
58 family income; or

59 b. Located within a metropolitan area, the median family
60 income does not exceed 80 percent of the greater of the
61 statewide median family income or the metropolitan area median
62 income.

63 (f) "Office" means the Office of Tourism, Trade, and
64 Economic Development.

65 (g) "Qualified active low-income community business" has
66 the same meaning as in s. 45D of the Internal Revenue Code of
67 1986, as amended, but excludes any trade or business:

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

70 2. That engages predominantly in the development or
71 holding of intangibles for sale or license;

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72 3. That operates a private or commercial golf course,
73 country club, massage parlor, hot tub facility, suntan facility,
74 racetrack, or other facility used for gambling, or a store the
75 principal business of which is the sale of alcoholic beverages
76 for consumption off premises; and

77 4. The principal activity of which is farming if the sum
78 of the aggregate unadjusted bases or the fair market value of
79 the assets owned by the business which are used in such trade or
80 business, whichever is greater, and the aggregate value of the
81 assets leased by the business used in such trade or business
82 exceeds \$500,000. For the purposes of this subparagraph, two or
83 more trades or businesses are treated as a single trade or
84 business.

85
86 A business shall be considered a qualified active low-income
87 community business for the duration of the qualified community
88 development entity's investment in or loan to the business if
89 the entity reasonably expects, at the time it makes the
90 investment or loan that the business will continue to satisfy
91 the requirements of being a qualified active low-income
92 community business throughout the entire period of the
93 investment or loan. The subsequent insolvency, including
94 reorganization or liquidation in bankruptcy, receivership,
95 winding up, or dissolution of a business does not disqualify the
96 business from being a qualified active low-income community
97 business if all other requirements of this section continue to
98 be met.

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99 (h) "Qualified community development entity" means an
100 entity that is certified as a qualified community development
101 entity by the Community Development Financial Institutions Fund
102 of the United States Department of the Treasury pursuant to s.
103 45D of the Internal Revenue Code of 1986, as amended, and that
104 has entered into an allocation agreement with the fund with
105 respect to tax credits authorized by section 45D, and includes
106 this state within the service area set forth in the agreement.

107 (i) "Qualified equity investment" means an equity
108 investment or long-term debt security issued by a qualified
109 community development entity which:

110 1. Is acquired on or after July 1, 2008, solely in
111 exchange for cash at the time of its original issuance;

112 2. Has at least 85 percent of its cash purchase price used
113 by the qualified community development entity to make qualified
114 low-income community investments within the 12-month period
115 beginning on the date the cash is paid by the purchaser to the
116 entity; and

117 3. Is certified by the Office of Tourism, Trade, and
118 Economic Development as a qualified equity investment pursuant
119 to this section.

120 (j) "Qualified low-income community investment" means a
121 capital or equity investment in or loan to a qualified active
122 low-income community business which is made after July 1, 2008.
123 The maximum amount of debt or equity issued by any one qualified
124 active low-income community business on a collective basis with
125 all of its affiliates, which may be included in the calculation
126 of the numerator described in paragraph (a), is \$10 million,



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127 whether the investment is issued to one or more qualified
128 community development entities.

129 (3) QUALIFIED EQUITY INVESTMENTS.--

130 (a) The office shall designate a comprehensive list of
131 industries using the North American Industry Classification
132 System, in consultation with Enterprise Florida, Inc., that will
133 be used to direct investments for this program. The industries
134 listed should lead to strong positive impacts on or benefits to
135 the state and regional economies. The office shall submit a copy
136 of the list to the President of the Senate and the Speaker of
137 the House of Representatives upon completion of the list and any
138 further modifications.

139 (b) A qualified community development entity that seeks to
140 have an equity investment or long-term debt security designated
141 as a qualified equity investment and eligible for tax credits
142 under this section shall apply to the office. The qualified
143 community development entity must submit an application on a
144 form that the office prescribes, and that includes, but need not
145 be limited to:

146 1. The name, address, tax identification number of the
147 entity, and evidence of the entity's certification as a
148 qualified community development entity;

149 2. A copy of the allocation agreement executed by the
150 entity and the Community Development Financial Institutions
151 Fund;

152 3. A certificate executed by an executive officer of the
153 entity attesting that the allocation agreement remains in effect
154 and has not been revoked or cancelled by the Community

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155 Development Financial Institutions Fund;

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

158 5. The name and tax identification number of any taxpayer
159 eligible to redeem tax credits earned as a result of the
160 issuance of the qualified equity investment;

161 6. Information regarding the proposed use of proceeds from
162 the issuance of a qualified equity investment, which must
163 include the types of qualified active low-income community
164 businesses that will be funded and an estimate of the percentage
165 of qualified low-income community investments that will be made
166 statewide;

167 7. A statement setting forth the entity's plans to invest
168 in only those entities engaged in industries identified for this
169 program by the office;

170 8. A statement setting forth the entity's plans for the
171 development of relationships with community-based organizations,
172 local community development offices and organizations, and
173 economic development organizations, as well as any steps the
174 entity has taken to implement these relationships; and

175 9. A nonrefundable application fee of \$1,000 per
176 application submitted.

177 (c) Within 30 days after receipt of a completed
178 application containing the information necessary for the office
179 to certify a potential qualified equity investment, including
180 payment of the application fee, the office shall grant or deny
181 the application in full or in part. If the office denies any
182 part of the application, it shall inform the qualified community

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183 development entity of the grounds for the denial. If the
184 qualified community development entity fails to provide the
185 information or complete its application within the 15-day
186 period, the application remains denied and must be resubmitted
187 in full with a new submission date.

188 (d) If an application is deemed complete, the office may
189 certify the proposed equity investment or long-term debt
190 security as a qualified equity investment and eligible for tax
191 credits under this section. The office shall provide written
192 notice of the certification to the qualified community
193 development entity and the department. The notice must include
194 the maximum amount of tax credits that may be earned from the
195 issuance of the qualified equity investment, which shall be
196 calculated with reference to the estimate of the percentage of
197 qualified low-income community investments made in this state by
198 the qualified community development entity included in the
199 application, and the names of those taxpayers who are eligible
200 to redeem the credits and their respective credit amounts. The
201 office shall certify qualified equity investments in the order
202 applications are received. Applications received on the same day
203 shall be deemed to have been received simultaneously.

204 (e) Once the office has certified qualified equity
205 investments that, on a cumulative basis, are eligible for \$105
206 million in tax credits, of which no more than \$15 million may be
207 claimed per state fiscal year exclusive of tax credits carried
208 forward, and on or after June 30, 2015, the office may not
209 certify any more qualified equity investments. If a pending
210 request cannot be fully certified, the office shall certify the

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211 portion that may be certified unless the qualified community
212 development entity elects to withdraw its request rather than
213 receive partial credit.

214 (f) Within 30 days after receiving notice of
215 certification, the qualified community development entity shall
216 issue the qualified equity investment and receive cash in the
217 amount of the certified amount. The qualified community
218 development entity must provide the office with evidence of the
219 receipt of the cash investment within 10 business days after
220 receipt. If the qualified community development entity does not
221 receive the cash investment and issue the qualified equity
222 investment within 30 days following receipt of the certification
223 notice, the certification lapses and the entity may not issue
224 the qualified equity investment without reapplying to the office
225 for certification. A certification that lapses reverts back to
226 the office and must be reissued in accordance with the
227 application process outlined in this subsection.

228 (4) TAX CREDITS.--

229 (a) A taxpayer that makes a qualified equity investment
230 earns a vested tax credit against taxes imposed by s. 220.11 or
231 s. 624.509. The taxpayer or a subsequent holder of the qualified
232 equity investment on the credit allowance date of the qualified
233 equity investment may use a portion of the vested tax credit
234 equal to 8.33 percent of the adjusted purchase price of the
235 qualified equity investment during the calendar year in which
236 the credit allowance date falls.

237 (b) A taxpayer's cash investment in a qualified equity
238 investment is considered a qualified low-income community

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239 investment only to the extent that the cash is invested within
240 the 12-month period beginning on the date the cash is paid by
241 the taxpayer to the community development entity.

242 (c) A taxpayer may not redeem any portion of a tax credit
243 in a tax year in which the tax credit exceeds the taxpayer's
244 state tax liability for the tax year. Such portion may be
245 carried forward for use in a subsequent tax year; however, all
246 unused tax credits expire on December 31, 2029.

247 (d) A tax credit authorized under this section is not
248 refundable or transferable. However, if a qualified equity
249 investment is transferred, any unused tax credits transfer with
250 the investment. Tax credit amounts, including any carryover
251 amounts, from credit allowance dates before the date of transfer
252 do not transfer with the qualified equity investment. Tax
253 credits earned by a partnership, limited liability company, S
254 corporation, or other pass-through entity may be allocated to
255 the partners, members, or shareholders of such entity for direct
256 redemption in accordance with any agreement between the
257 partners, members, or shareholders.

258 (e) Tax credits for taxpayers who are insurance companies
259 subject to the insurance premium tax under s. 624.509 must be
260 claimed against the insurance premium tax. An insurance company
261 claiming a credit against the insurance premium tax is not
262 required to pay any additional retaliatory tax levied pursuant
263 to s. 624.5091. Because credits under this section are available
264 to an insurance company, s. 624.5091 does not limit such credit
265 in any manner.

266 (5) CALCULATION OF CREDIT.--

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267 (a) Within 30 days after each credit allowance date, each
268 qualified community development entity shall submit to the
269 office the following with respect to each qualified equity
270 investment issued by the entity:

271 1. A listing, certified by an executive officer of the
272 entity, of all qualified low-income community investments made
273 by the entity from the proceeds of a qualified equity investment
274 and held as of the credit allowance date, which must include the
275 name of each qualified active low-income community business
276 funded, the location of the principal office of each such
277 business, the type of business, the amount of the qualified low-
278 income community investment in each business, and the total of
279 qualified low-income community investments by all community
280 development entities in each business;

281 2. Bank records, records of wire transfers of funds, or
282 other similar documents that reflect the investments listed
283 above;

284 3. A calculation, certified by the chief financial or
285 accounting officer of the entity, of the amount of qualified
286 low-income community investments made in this state using
287 proceeds from the issuance of the qualified equity investment
288 held by the entity as of the credit allowance date, and the
289 total qualified low-income community investments made using
290 proceeds of the issuance of the qualified equity investment held
291 by the entity on the credit allowance date. In making this
292 calculation, an investment shall be deemed to be held by a
293 qualified community development entity even if the investment
294 has been sold or repaid if the entity reinvests an amount equal



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295 to the capital returned to or recovered from the original
296 investment, exclusive of any profits realized, in another
297 qualified low-income community investment within 12 months after
298 receipt of such capital. An entity is not required to reinvest
299 capital returned from a qualified low-income community
300 investment after the sixth anniversary of the issuance of the
301 qualified equity investment for which the proceeds were used to
302 make the qualified low-income community investment, and the
303 qualified low-income community investment shall be deemed to be
304 held by the entity through the seventh anniversary of the
305 qualified equity investment's issuance;

306 4. An attestation from the entity's chief financial or
307 accounting officer that no redemption or principal payment was
308 made with respect to the qualified equity investment since the
309 previous credit allowance date; and

310 5. Any information relating to the recapture of any
311 federal tax credits available with respect to a qualified equity
312 investment which the entity received since the prior credit
313 allowance date.

314 (b) Within 20 days after receipt of the information listed
315 in paragraph (a), the office shall certify in writing to the
316 qualified community development entity and to the department the
317 amount of credit that is eligible for use for the credit
318 allowance date. The notice must include a listing of those
319 taxpayers that are eligible to redeem the tax credit for the
320 credit allowance date.

321 (6) AUDIT AND RECAPTURE.--

322 (a) A qualified community development entity that receives

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323 an annual allocation of tax credits in an amount equal to or in
324 excess of \$500,000 shall be treated as a recipient and required
325 to participate in a state single audit pursuant to s. 215.97.
326 The office shall be deemed the state awarding agency and
327 coordinating agency. In addition to the required financial
328 reporting package, the audit must attest to the entity's
329 adherence to the performance conditions enumerated in this
330 section as they relate to the recapture of the tax credit under
331 paragraph (b). Taxpayers that are not qualified community
332 development entities may not be treated as subrecipients or
333 otherwise required to participate in the state single audit
334 program since such persons do not control adherence to the
335 performance standards of this program.

336 (c) The office shall disqualify a qualified community
337 development entity from receiving additional Florida markets tax
338 credits if more than 50 percent of qualified equity investments
339 during the first 3 years of operation become insolvent,
340 reorganized, or liquidated in bankruptcy, receivership, winding
341 up, or dissolved. In addition, the office shall recapture 50
342 percent of all credits issued to such qualified community
343 development entity.

344 (b) The office shall order recapture of any tax credit
345 authorized under this section with respect to a qualified equity
346 investment if:

347 1. Any amount of any federal tax credit which is eligible
348 for a tax credit under this section is recaptured under s. 45D
349 of the Internal Revenue Code of 1986, as amended;

350 2. The qualified community development entity is not



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351 deemed to be a qualified community development entity under the
352 federal New Markets Tax Credit Program;

353 3. The qualified community development entity redeems or
354 makes a principal repayment before the seventh anniversary of
355 the issuance of the qualified equity investment;

356 4. The qualified community development entity fails to
357 make qualified low-income community investments in qualified
358 active low-income community businesses;

359 5. The qualified community development entity fails to
360 maintain at least 85 percent of the proceeds of the qualified
361 equity investment in qualified low-income community investments
362 at any time before the seventh anniversary of the issuance of
363 the qualified equity investment and remains in compliance with
364 subparagraph (2)(i)2.;

365 6. The qualified community development entity fails to
366 provide to the office and the department any of the information
367 or reports required by this section; or

368 7. The office determines as a result of a state single
369 audit or an examination by the office that a taxpayer received
370 tax credits pursuant to this section to which the taxpayer was
371 not entitled.

372 (c) The office shall provide notice to the qualified
373 community development entity and to the department of any
374 proposed recapture of tax credits pursuant to this subsection.
375 The entity shall have 90 days to cure any deficiency indicated
376 in the office's original recapture notice and avoid such
377 recapture. If the entity fails or is unable to cure such
378 deficiency within the 90-day period, the office shall provide

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379 the entity and the department with a final order of recapture.
380 The qualified community development entity is responsible for
381 providing copies of the final order of recapture to taxpayers
382 owning the tax credits at issue.

383 (d) Any tax credit for which a final recapture order has
384 been issued shall be recaptured by the department from the
385 taxpayer who claimed the tax credit on a tax return, or in the
386 case of multiple succeeding entities, in the order of tax-credit
387 succession, and such funds shall be paid into the General
388 Revenue Fund. Such action by the department does not constitute
389 an audit or otherwise alter the department's ability to audit
390 the taxpayer.

391 (7) ANNUAL REPORTING.--

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

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

400 2. Using the North American Industry Classification System
401 Code, the types of businesses funded, the counties where the
402 qualified active low-income community businesses are located,
403 the dollars invested, and the number of jobs created and
404 retained by qualified active low-income community businesses
405 funded in a form satisfactory to the office;

406 3. A statement describing the relationships that the

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407 entity has established with community-based organizations, local
408 community development offices and organizations, and economic
409 development organizations, and a summary of the outcomes
410 resulting from those relationships; and

411 4. Other information as prescribed by the office and
412 documentation to demonstrate continued certification by the
413 federal program.

414 (b) The office shall prepare an annual report of all
415 qualified low-income community investments made in this state
416 from the proceeds of qualified equity investments which includes
417 relevant statistics from the North American Industry
418 Classification System Code, the county or counties where the
419 qualified low-income community investments are located, the
420 dollars invested, the number of jobs created and retained by
421 business in which qualified low-income community investments
422 have been made, and the value of applicable state tax credits
423 claimed for the latest year for which such information is
424 available. The office shall submit a copy to the Governor, the
425 President of the Senate, and the Speaker of the House of
426 Representatives each July 1, beginning in 2010, and may post the
427 annual report on the office's website.

428 (8) EXAMINATION.--

429 (a) The office may conduct examinations to verify that tax
430 credits under this section have been received and applied
431 according to the requirements of this section and to verify
432 information provided by qualified community development entities
433 to the office.

434 (b) The office may revoke or modify any written decision

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435 qualifying, certifying, or otherwise granting eligibility for
436 tax credits under this section if it is discovered that the
437 qualified community development entity submitted any false
438 statement, representation, or certification in any application,
439 record, report, plan, or other document filed in an attempt to
440 receive the tax credits.

441 (c) A qualified community development entity that submits
442 information under this section which includes fraudulent
443 information is liable for reimbursement of the reasonable costs
444 and fees associated with the review, processing, investigation,
445 and prosecution of the fraudulent claim plus a penalty in an
446 amount double the credit amount certified and claimed by the
447 holders of the entity's qualified equity investments, which
448 penalty is in addition to any criminal penalty to which the
449 taxpayer is liable for the same acts.

450 (9) RULEMAKING AUTHORITY.--

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

453 (b) The department may adopt rules pursuant to ss.
454 120.536(1) and 120.54 to administer this section.

455 (10) EXPIRATION.--This section expires December 31, 2021.

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

458 220.02 Legislative intent.--

459 (8) It is the intent of the Legislature that credits
460 against either the corporate income tax or the franchise tax be
461 applied in the following order: those enumerated in s. 631.828,
462 those enumerated in s. 220.191, those enumerated in s. 220.181,

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463 those enumerated in s. 220.183, those enumerated in s. 220.182,
464 those enumerated in s. 220.1895, those enumerated in s. 221.02,
465 those enumerated in s. 220.184, those enumerated in s. 220.186,
466 those enumerated in s. 220.1845, those enumerated in s. 220.19,
467 those enumerated in s. 220.185, those enumerated in s. 220.187,
468 those enumerated in s. 220.192, ~~and~~ those enumerated in s.
469 220.193, and those enumerated in s. 288.991.

470 Section 3. Paragraph (a) of subsection (1) of section
471 220.13, Florida Statutes, is amended to read:

472 220.13 "Adjusted federal income" defined.--

473 (1) The term "adjusted federal income" means an amount
474 equal to the taxpayer's taxable income as defined in subsection
475 (2), or such taxable income of more than one taxpayer as
476 provided in s. 220.131, for the taxable year, adjusted as
477 follows:

478 (a) Additions.--There shall be added to such taxable
479 income:

480 1. The amount of any tax upon or measured by income,
481 excluding taxes based on gross receipts or revenues, paid or
482 accrued as a liability to the District of Columbia or any state
483 of the United States which is deductible from gross income in
484 the computation of taxable income for the taxable year.

485 2. The amount of interest which is excluded from taxable
486 income under s. 103(a) of the Internal Revenue Code or any other
487 federal law, less the associated expenses disallowed in the
488 computation of taxable income under s. 265 of the Internal
489 Revenue Code or any other law, excluding 60 percent of any
490 amounts included in alternative minimum taxable income, as

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491 defined in s. 55(b)(2) of the Internal Revenue Code, if the
492 taxpayer pays tax under s. 220.11(3).

493 3. In the case of a regulated investment company or real
494 estate investment trust, an amount equal to the excess of the
495 net long-term capital gain for the taxable year over the amount
496 of the capital gain dividends attributable to the taxable year.

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

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

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

511 7. That portion of assessments to fund a guaranty
512 association incurred for the taxable year which is equal to the
513 amount of the credit allowable for the taxable year.

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

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519 9. The amount taken as a credit for the taxable year under
520 s. 220.1895.

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

524 11. The amount taken as a credit for the taxable year
525 under s. 220.187.

526 12. The amount taken as a credit for the taxable year
527 under s. 220.192.

528 13. The amount taken as a credit for the taxable year
529 under s. 220.193.

530 14. Any portion of a qualified equity investment, as
531 defined in s. 288.991, which is claimed as a deduction by the
532 taxpayer for the purpose of calculating the taxpayer's net
533 income.

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

536 213.053 Confidentiality and information sharing.--

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

544 Section 5. This act shall take effect July 1, 2008, and
545 applies to tax years ending after December 31, 2008.

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547 ===== T I T L E A M E N D M E N T =====

548 And the title is amended as follows:

549 Delete everything before the enacting clause
550 and insert:

551 A bill to be entitled
552 An act relating to corporate income tax credits; creating
553 part XIII of ch. 288, F.S., consisting of s. 288.991,
554 F.S.; creating the New Markets Tax Credit Program;
555 providing definitions; authorizing the Office of Tourism,
556 Trade, and Economic Development to develop a list of
557 industries, in consultation with Enterprise Florida, Inc.,
558 in which equity investments can be made; qualify certain
559 equity investments as eligible for tax credits; providing
560 an application process; requiring an application fee;
561 providing for the certification of an investment;
562 providing for notice to the applicant and the Department
563 of Revenue; providing for a limit on the amount of
564 investments the office may certify; requiring the
565 certified equity investments to be issued within a certain
566 timeframe; providing that a taxpayer who holds a qualified
567 equity investment in a qualified low-income business on
568 the credit allowance date of the investment is entitled to
569 a nonrefundable, nontransferable tax credit for the
570 taxable year in which the credit allowance date falls;
571 limiting the amount of the tax credit that may be redeemed
572 in a fiscal year; authorizing a taxpayer to carry over any
573 amount of the tax credit that the taxpayer is prohibited
574 from redeeming in a taxable year to a subsequent taxable

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575 year; providing for the redemption of tax credits earned
576 by certain business entities and by the partners, members,
577 or shareholders of those entities; specifying how tax
578 credits may be claimed by insurance companies; providing
579 how the amount of tax credits available to the taxpayer
580 will be calculated; requiring the calculations to be
581 certified and accompanied by audited financial statements
582 and notarized affidavits; requiring the office to
583 disqualify community development entities under certain
584 circumstances; requiring the department to recapture tax
585 credits from certain taxpayers under certain
586 circumstances; requiring notice; requiring community
587 development entities that have certified investments to
588 report certain information to the office; requiring the
589 office to prepare annual reports on low-income community
590 investments made in this state; authorizing the department
591 to conduct examinations to verify receipt and application
592 of tax credits; authorizing the department to pursue
593 recovery of certain funds; authorizing the office to
594 revoke or modify certain decisions relating to eligibility
595 for tax credits under certain circumstances; providing for
596 applicant liability for costs and fees relating to
597 investigations of fraudulent claims; providing for
598 taxpayer liability for reimbursement of fraudulently
599 claimed tax credits; providing a penalty; authorizing the
600 office and the department to adopt rules; providing for
601 future repeal of the tax credit program; amending s.
602 220.02, F.S.; revising legislative intent with respect to

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603 | the order of tax credits to include the New Markets Tax
604 | Credit; amending s. 220.13, F.S.; revising a definition;
605 | amending s. 213.053, F.S.; authorizing the Department of
606 | Revenue to share confidential taxpayer information with
607 | the Office of Tourism, Trade, and Economic Development;
608 | providing for application of the tax credit; providing an
609 | effective date.