

By Senator Baker

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1 A bill to be entitled

2 An act relating to corporate income tax credits for
3 small business corporations; requiring the Department
4 of Revenue to establish a corporate income tax credit
5 program for certain small businesses; providing a
6 definition; requiring the department to provide tax
7 credit applications on its website; providing for
8 department approval of tax credit applications;
9 requiring the department to file copies of approved
10 applications and send copies to applicants; providing
11 criteria and requirements for and limitations on the
12 tax credit; authorizing not-for-profit small business
13 corporations to auction eligible tax credits to
14 certain entities; specifying uses of proceeds of
15 auctioned credits; requiring the department to develop
16 a plan to auction tax credits; requiring the
17 department to establish a workgroup for certain
18 purposes; authorizing the department to adopt rules;
19 requiring the Office of Program Policy Analysis and
20 Government Accountability to review the program and
21 report to the Legislature; providing an effective
22 date.

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

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26 Section 1. (1) The Department of Revenue shall establish a
27 program to grant to small business corporations a credit against
28 the tax imposed under chapter 220, Florida Statutes, as provided
29 in this section.

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30 (2) For purposes of this section, the term "small business
31 corporation" means a for-profit or not-for-profit corporation
32 registered with the Department of State that employs fewer than
33 250 employees and is doing business in this state.

34 (3) The Department of Revenue shall make available on its
35 website to small business corporations an application for the
36 tax credit authorized by this section.

37 (4) Upon receipt of a completed application from an
38 eligible small business corporation that meets the requirements
39 of this section for a credit, the department shall approve the
40 application and shall place a copy of the approved application
41 on file with the corporation's tax file and send a copy of the
42 approved application to the corporation seeking the credit.

43 (5) Each small business corporation is eligible to receive
44 a credit against the tax imposed under chapter 220, Florida
45 Statutes, in an amount equal to 75 percent of each dollar the
46 applicant can demonstrate, through methods acceptable and
47 approved by the department, that the applicant invested in
48 employee training, expansion of employment of up to 15 new
49 positions, and investment in the purchase of new or used
50 business equipment for the year in which the investment
51 occurred.

52 (6) The total amount of the tax credit available to any
53 small business corporation is limited to \$100,000 for each such
54 corporation.

55 (7) (a) A not-for-profit small business corporation may
56 auction any tax credit the corporation is eligible to receive to
57 any private investor and the funds generated from the sale of
58 the tax credit shall be used by such corporation as matching

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59 funds for grants, Medicaid waivers, or investments in staff
60 training, construction of new buildings or renovation of current
61 buildings, purchase of new or used business equipment, or
62 expansions of its workforce.

63 (b) The purchase of a tax credit auctioned by a not-for-
64 profit small business corporation is limited to corporations
65 registered in this state or individuals that operate or live in
66 this state.

67 (c) The department shall develop a plan for auctioning tax
68 credits and shall make available on its website information as
69 to how individuals or corporations can participate in the
70 process.

71 (8) The department shall create a workgroup of advocates,
72 business leaders, and stakeholders to provide direction and
73 assistance with the development of rules required to implement
74 this program.

75 (9) The department may any adopt rules necessary to
76 implement the requirements of this section.

77 (10) The Office of Program Policy Analysis and Government
78 Accountability shall review the impact of the program on
79 stimulating economic expansion and investment in equipment, not-
80 for-profits, and workforce development and provide a report to
81 the President of the Senate and the Speaker of the House of
82 Representatives no later than January 1, 2012.

83 Section 2. This act shall take effect July 1, 2009.