

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

29 | agency to certify businesses; requiring the agency to
 30 | provide lists of certified businesses; providing for
 31 | disqualifying certified businesses under certain
 32 | circumstances; providing for future expiration and
 33 | revocation of certifications; amending s. 290.007, F.S.;
 34 | specifying incentives for the revitalization of super
 35 | enterprise zones; requiring interim and final reviews of
 36 | super enterprise zones by the Office of Program Policy
 37 | Analysis and Government Accountability; providing review
 38 | criteria; requiring reports to the Legislature; providing
 39 | an effective date.

40 |

41 | Be It Enacted by the Legislature of the State of Florida:

42 |

43 | Section 1. Subsection (34) is added to section 212.02,
 44 | Florida Statutes, to read:

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

49 | (34) "Certified business" means a business that is located
 50 | in a super enterprise zone and that is certified under s.
 51 | 290.00682. This subsection expires June 30, 2022.

52 | Section 2. Subsection (19) is added to section 212.08,
 53 | Florida Statutes, to read:

54 | 212.08 Sales, rental, use, consumption, distribution, and
 55 | storage tax; specified exemptions.--The sale at retail, the
 56 | rental, the use, the consumption, the distribution, and the

57 | storage to be used or consumed in this state of the following
 58 | are hereby specifically exempt from the tax imposed by this
 59 | chapter.

60 | (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.--

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

62 | 1. Tangible personal property purchased by a certified
 63 | business for the exclusive use or consumption of that business
 64 | within a super enterprise zone; or

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

80 | (b) Notwithstanding paragraph (a), a new business
 81 | established in a super enterprise zone and certified on or after
 82 | July 1, 2010, pursuant to s. 290.00682, is eligible for the
 83 | exemptions provided under this subsection for a period not to
 84 | exceed 10 years immediately following such certification. For an

85 existing business located in a super enterprise zone and
 86 certified on or after July 1, 2010, the exemptions provided
 87 under this subsection are available for a period not to exceed 5
 88 years, beginning in the year in which the business receives its
 89 initial certification and continuing for up to 5 years
 90 immediately following such certification.

91 (c) This subsection expires June 30, 2022.

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

97 290.0056 Enterprise zone development agency.--

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

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

102 2. To coordinate with the local governmental entity for
 103 the exemptions from the sales and use tax provided under s.
 104 212.08(19).

105
 106 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,
 107 this paragraph expires June 30, 2022.

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

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

- 113 1. A list of each certified business and whether the
 114 business is new or where the business relocated from.
 115 2. The number of jobs created.
 116 3. The percentage of employees who are employed by
 117 certified businesses and who reside in the super enterprise zone
 118 or in an enterprise zone within the same county.
 119 4. The extent of capital investment by certified
 120 businesses within the zone.
 121 5. The success of the super enterprise zone as measured by
 122 the strategic plan and methods identified in s. 290.0057(1)(i).
 123
 124 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,
 125 this paragraph expires June 30, 2021.

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

128 290.0057 Enterprise zone development plan.--

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

134 (a) Briefly describe the community's goals for
 135 revitalizing the area.

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

141 the community's goals.

142 (c) Identify and describe key community goals and the
 143 barriers that restrict the community from achieving these goals,
 144 including a description of poverty and general distress,
 145 barriers to economic opportunity and development, and barriers
 146 to human development.

147 (d) Describe the process by which the affected community
 148 is a full partner in the process of developing and implementing
 149 the plan and the extent to which local institutions and
 150 organizations have contributed to the planning process.

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

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

167 (g) Indicate how state enterprise zone tax incentives and
 168 state, local, and federal resources will be used ~~utilized~~ within

169 the nominated area.

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

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

175 Section 5. Sections 290.00681 and 290.00682, Florida
 176 Statutes, are created to read:

177 290.00681 Super enterprise zone pilot project;
 178 designation; future expiration and revocation.--

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

189 (a) Be located in an enterprise zone and be no larger than
 190 3 contiguous square miles.

191 (b) Have an average unemployment rate four times greater
 192 than the state average.

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

195 (d) Have general distress of business and residential
 196 property such that the local governing body by resolution has

197 determined that the buildings are substandard, unsafe,
 198 unsanitary, dilapidated, or obsolete, or any combination of such
 199 conditions, and are detrimental to the safety, health, and
 200 welfare of the community.

201 (e) Demonstrate evidence of significant job loss or
 202 dislocation in the area.

203
 204 In determining whether an area meets the criteria of this
 205 subsection for unemployment, poverty, and general distress, the
 206 office shall use data from the most current decennial census and
 207 from information published by the Bureau of the Census and the
 208 Bureau of Labor Statistics. The data shall be comparable in
 209 point or period of time and methodology employed.

210 (2) Any application for designation as a super enterprise
 211 zone must:

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

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

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

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

224 (e) Identify baselines, methods, and benchmarks for

225 measuring success.

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

228 (3) This section expires June 30, 2022, and any
 229 designation made pursuant to this section shall be revoked on
 230 that date.

231 290.00682 Super enterprise zones; business
 232 certification.--

233 (1) A certified business is eligible for the tax
 234 exemptions provided in s. 212.08(19). In order to qualify as a
 235 certified business, receive an exemption certificate, and
 236 continue to receive the tax exemptions provided in s.
 237 212.08(19), a business must:

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

242 (b) Operate and be located within a designated super
 243 enterprise zone.

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

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

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

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

264 (3) A local enterprise zone development agency may
 265 disqualify a certified business at any time if the business
 266 fails to meet the requirements of subsection (1). A business
 267 that makes a fraudulent claim under this section for tax
 268 exemptions provided in s. 212.08(19) is liable for the payment
 269 of the tax due, together with the penalties set forth in s.
 270 212.085, and as otherwise provided by law.

271 (4) This section expires June 30, 2022, and any
 272 certification made pursuant to this section shall be revoked on
 273 that date.

274 Section 6. Section 290.007, Florida Statutes, is amended
 275 to read:

276 290.007 State incentives available in enterprise zones and
 277 super enterprise zones.--

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

280 (a)~~(1)~~ The enterprise zone jobs credit provided in s.

281 220.181.

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

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

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

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

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

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

295 ~~(h)(8)~~ Notwithstanding any law to the contrary, the Public
 296 Service Commission may allow public utilities and
 297 telecommunications companies to grant discounts of up to 50
 298 percent on tariffed rates for services to small businesses
 299 located in an enterprise zone designated pursuant to s.
 300 290.0065. Such discounts may be granted for a period not to
 301 exceed 5 years. For purposes of this paragraph ~~subsection~~, the
 302 term "public utility" has the same meaning as in s. 366.02(1)
 303 and the term "telecommunications company" has the same meaning
 304 as in s. 364.02(14).

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

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

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

311 Section 7. Before the 2016 Regular Session of the
312 Legislature, the Office of Program Policy Analysis and
313 Government Accountability shall conduct an interim review and
314 evaluation of the effectiveness and viability of the super
315 enterprise zones designated under s. 290.00681, Florida
316 Statutes. The office shall specifically evaluate whether relief
317 from the specified taxes caused or induced new investment and
318 development in the super enterprise zones; increased the number
319 of jobs created or retained in the super enterprise zones;
320 caused or induced the renovation, rehabilitation, restoration,
321 improvement, or new construction of businesses or housing within
322 the super enterprise zones; or contributed to the economic
323 viability and profitability of business and commerce located
324 within the super enterprise zones. The office shall submit a
325 report of its findings and recommendations to the President of
326 the Senate and the Speaker of the House of Representatives by
327 December 1, 2015. In 2021, the office shall conduct a final
328 review in accordance with this section and make a final report
329 to the President of the Senate and the Speaker of the House of
330 Representatives by December 1 of that year.

331 Section 8. This act shall take effect July 1, 2009.