

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

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

42  
43 Be It Enacted by the Legislature of the State of Florida:

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

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

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

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

56 212.08 Sales, rental, use, consumption, distribution, and  
57 storage tax; specified exemptions.—The sale at retail, the  
58 rental, the use, the consumption, the distribution, and the

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

62 (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.—

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

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

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

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

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

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

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

99 290.0056 Enterprise zone development agency.—

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

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

104 2. To coordinate with the local governmental entity for the  
105 exemptions from the sales and use tax provided under s.  
106 212.08(19).

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

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

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

115 1. A list of each certified business and whether the  
116 business is new or where the business relocated from.

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117       2. The number of jobs created.

118       3. The percentage of employees who are employed by  
 119 certified businesses and who reside in the super enterprise zone  
 120 or in an enterprise zone within the same county.

121       4. The extent of capital investment by certified businesses  
 122 within the zone.

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

125  
 126 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,  
 127 this paragraph expires June 30, 2021.

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

130       290.0057 Enterprise zone development plan.-

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

136       (a) Briefly describe the community's goals for revitalizing  
 137 the area.

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

144       (c) Identify and describe key community goals and the  
 145 barriers that restrict the community from achieving these goals,

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146 including a description of poverty and general distress,  
147 barriers to economic opportunity and development, and barriers  
148 to human development.

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

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

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

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

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

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

177 Section 5. Sections 290.00681 and 290.00682, Florida  
178 Statutes, are created to read:

179 290.00681 Super enterprise zone pilot project; designation;  
180 future expiration and revocation.-

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

191 (a) Be located in an enterprise zone and be no larger than  
192 3 contiguous square miles.

193 (b) Have an average unemployment rate four times greater  
194 than the state average.

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

197 (d) Have general distress of business and residential  
198 property such that the local governing body by resolution has  
199 determined that the buildings are substandard, unsafe,  
200 unsanitary, dilapidated, or obsolete, or any combination of such  
201 conditions, and are detrimental to the safety, health, and  
202 welfare of the community.

203 (e) Demonstrate evidence of significant job loss or

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204 dislocation in the area.

205

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

212 (2) Any application for designation as a super enterprise  
213 zone must:

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

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

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

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

226 (e) Identify baselines, methods, and benchmarks for  
227 measuring success.

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

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

232 290.00682 Super enterprise zones; business certification.-



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

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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 to  
275 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).

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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;

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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, 2021.

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