

1 A bill to be entitled
2 An act relating to fast track economic stimulus for small
3 businesses; amending s. 213.053, F.S.; authorizing the
4 Department of Revenue to share certain confidential
5 taxpayer information with the Office of Tourism, Trade,
6 and Economic Development; preserving certain
7 confidentiality of such information; amending s. 220.02,
8 F.S.; revising legislative intent with respect to the
9 order of tax credits to include the New Markets
10 Development Program tax credit; amending s. 220.13, F.S.;
11 revising a definition; creating ss. 288.991-288.9922,
12 F.S.; providing a short title; establishing the New
13 Markets Development Program; providing a purpose;
14 providing definitions; providing for a tax credit for
15 making certain qualified equity investments; specifying a
16 credit amount; providing for uses of the credit;
17 prohibiting sale or transfer of such credits; authorizing
18 allocation of the credit; specifying limitations on such
19 credits; specifying application and certification
20 requirements and procedures for the Office of Tourism,
21 Trade, and Economic Development to qualify certain equity
22 investments as eligible for tax credits; providing for
23 application fees; providing duties and responsibilities of
24 the Department of Revenue; limiting the amount of
25 investments the office may certify; providing requirements
26 and limitations on issuance of certified equity
27 investments; providing for calculation of tax credits;
28 limiting the amount of the tax credit that may be redeemed

29 | in a fiscal year; providing for carryover of unredeemed
 30 | tax credits under certain circumstances; providing for
 31 | redemption of tax credits; specifying how tax credits may
 32 | be claimed by insurance companies; requiring the
 33 | calculations to be certified and accompanied by audited
 34 | financial statements and notarized affidavits; providing
 35 | requirements for recapture of tax credits under certain
 36 | circumstances; requiring notice of proposed recapture;
 37 | providing requirements for compliance and audits of
 38 | qualified equity investments; providing annual reporting
 39 | requirements for certain community development entities;
 40 | providing annual reporting requirements for the office;
 41 | authorizing the office to conduct certain examinations;
 42 | authorizing the office to revoke or modify tax credit
 43 | authorizations under certain circumstances; providing for
 44 | taxpayer liability for reimbursement of fraudulently
 45 | claimed tax credits; providing penalties; authorizing the
 46 | office and the department to adopt rules; providing for
 47 | future repeal of the tax credit program; providing an
 48 | effective date.

49 |
 50 | Be It Enacted by the Legislature of the State of Florida:

51 |
 52 | Section 1. Subsection (19) is added to section 213.053,
 53 | Florida Statutes, to read:

54 | 213.053 Confidentiality and information sharing.--

55 | (19) The department may disclose information relative to
 56 | tax credits taken by a taxpayer pursuant to s. 288.9916 to the

57 Office of Tourism, Trade, and Economic Development or its
58 employees or agents. Such employees must be identified in
59 writing by the office to the department. All information
60 disclosed under this subsection is subject to the same
61 requirements of confidentiality and the same penalties for
62 violation of the requirements as the department.

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

65 220.02 Legislative intent.--

66 (8) It is the intent of the Legislature that credits
67 against either the corporate income tax or the franchise tax be
68 applied in the following order: those enumerated in s. 631.828,
69 those enumerated in s. 220.191, those enumerated in s. 220.181,
70 those enumerated in s. 220.183, those enumerated in s. 220.182,
71 those enumerated in s. 220.1895, those enumerated in s. 221.02,
72 those enumerated in s. 220.184, those enumerated in s. 220.186,
73 those enumerated in s. 220.1845, those enumerated in s. 220.19,
74 those enumerated in s. 220.185, those enumerated in s. 220.187,
75 those enumerated in s. 220.192, ~~and~~ those enumerated in s.
76 220.193, and those enumerated in s. 288.9916.

77 Section 3. Paragraph (a) of subsection (1) of section
78 220.13, Florida Statutes, is amended to read:

79 220.13 "Adjusted federal income" defined.--

80 (1) The term "adjusted federal income" means an amount
81 equal to the taxpayer's taxable income as defined in subsection
82 (2), or such taxable income of more than one taxpayer as
83 provided in s. 220.131, for the taxable year, adjusted as
84 follows:

85 (a) *Additions.*--There shall be added to such taxable
86 income:

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

92 2. The amount of interest which is excluded from taxable
93 income under s. 103(a) of the Internal Revenue Code or any other
94 federal law, less the associated expenses disallowed in the
95 computation of taxable income under s. 265 of the Internal
96 Revenue Code or any other law, excluding 60 percent of any
97 amounts included in alternative minimum taxable income, as
98 defined in s. 55(b)(2) of the Internal Revenue Code, if the
99 taxpayer pays tax under s. 220.11(3).

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

104 4. That portion of the wages or salaries paid or incurred
105 for the taxable year which is equal to the amount of the credit
106 allowable for the taxable year under s. 220.181. This
107 subparagraph shall expire on the date specified in s. 290.016
108 for the expiration of the Florida Enterprise Zone Act.

109 5. That portion of the ad valorem school taxes paid or
110 incurred for the taxable year which is equal to the amount of
111 the credit allowable for the taxable year under s. 220.182. This
112 subparagraph shall expire on the date specified in s. 290.016

113 for the expiration of the Florida Enterprise Zone Act.

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

118 7. That portion of assessments to fund a guaranty
119 association incurred for the taxable year which is equal to the
120 amount of the credit allowable for the taxable year.

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

126 9. The amount taken as a credit for the taxable year under
127 s. 220.1895.

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

131 11. The amount taken as a credit for the taxable year
132 under s. 220.187.

133 12. The amount taken as a credit for the taxable year
134 under s. 220.192.

135 13. The amount taken as a credit for the taxable year
136 under s. 220.193.

137 14. Any amount in excess of \$25,000 allowable as a
138 deduction for federal income tax purposes under s. 179 of the
139 Internal Revenue Code of 1986, as amended, for the taxable year.

140 15. Any amount allowable as a deduction for federal income

141 tax purposes under s. 167 or s. 168 of the Internal Revenue Code
 142 of 1986, as amended, for the taxable year to the extent that
 143 such amount includes bonus depreciation allowable as deduction
 144 under s. 168(k).

145 16. Any portion of a qualified investment, as defined in
 146 s. 288.9913, which is claimed as a deduction by the taxpayer and
 147 taken as a credit against income tax pursuant to s. 288.9916.

148 Section 4. Section 288.991, Florida Statutes, is created
 149 to read:

150 288.991 Short title.--Sections 288.991-288.9922 may be
 151 cited as the "New Markets Development Program Act."

152 Section 5. Section 288.9912, Florida Statutes, is created
 153 to read:

154 288.9912 New Markets Development Program; purpose.--The
 155 New Markets Development Program is established to encourage
 156 capital investment in rural and urban low-income communities by
 157 allowing taxpayers to earn credits against specified taxes by
 158 investing in qualified community development entities that make
 159 qualified low-income community investments in qualified active
 160 low-income community businesses to create and retain jobs.

161 Section 6. Section 288.9913, Florida Statutes, is created
 162 to read:

163 288.9913 Definitions.--As used in ss. 288.991-288.9922,
 164 the term:

- 165 (1) "Credit allowance date" means:
 166 (a) The date on which a qualified investment is made; and
 167 (b) Each of the six anniversaries of that date.
 168 (2) "Department" means the Department of Revenue.

169 (3) "Long-term debt security" means a debt instrument
170 issued by a qualified community development entity at par value
171 or a premium which has a maturity date of at least 7 years
172 following the date of its issuance, with no acceleration of
173 repayment, amortization, or prepayment features prior to its
174 original maturity date, except in instances of default.

175 (4) "Low-income community" means any population census
176 tract within the state where:

177 1. The poverty rate of such tract is at least 20 percent;
178 or

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

180 a. Not located within a metropolitan area, the median
181 family income for such tract does not exceed 80 percent of the
182 statewide median family income; or

183 b. Located within a metropolitan area, the median family
184 income for such tract does not exceed 80 percent of the greater
185 of the statewide median family income or the metropolitan area
186 median income.

187 (5) "Office" means the Office of Tourism, Trade, and
188 Economic Development.

189 (6) "Purchase price" means the amount of cash paid to a
190 qualified community development entity in exchange for a
191 qualified investment.

192 (7) "Qualified active low-income community business" means
193 a corporation, including a nonprofit corporation, or partnership
194 that:

195 (a)1. Derives at least 50 percent of its total gross
196 income from the active conduct of business within any low-income

197 community for any taxable year;
 198 2. Uses a substantial portion of its tangible property,
 199 whether owned or leased, within any low-income community for any
 200 taxable year;
 201 3. Performs a substantial portion of its services through
 202 its employees in a low-income community for any taxable year;
 203 4. Attributes less than 5 percent of the average of the
 204 aggregate unadjusted bases of the property of the entity to
 205 collectibles, as defined in 26 U.S.C. s. 408(m)(2), other than
 206 collectibles that are held primarily for sale to customers in
 207 the ordinary course of the business for any taxable year; and
 208 5. Attributes less than 5 percent of the average of the
 209 aggregate unadjusted bases of the property of the entity to
 210 nonqualified financial property, as defined in 26 U.S.C. s.
 211 1397C(e), for any taxable year.
 212 (b) Is reasonably expected by a qualified community
 213 development entity at the time of an investment to continue to
 214 satisfy the requirements of paragraphs (a), (c), and (d) for the
 215 duration of the investment.
 216 (c) Satisfies the requirements of paragraphs (a) and (b),
 217 but does not:
 218 1. Derive or project to derive 15 percent or more of its
 219 annual revenue from the rental or sale of real estate;
 220 2. Engage predominantly in the development or holding of
 221 intangibles for sale or license;
 222 3. Operate a private or commercial golf course, country
 223 club, massage parlor, hot tub facility, suntan facility,
 224 racetrack, gambling facility, or a store the principal business

225 of which is the sale of alcoholic beverages for consumption off
226 premises; or

227 4. Engage principally in farming and owns or leases assets
228 the sum of the aggregate unadjusted bases or the fair market
229 value of which exceeds \$500,000.

230 (d) Will create or retain jobs that pay an average wage of
231 at least 115 percent of the federal poverty income guidelines
232 for a family of four.

233 (8) "Qualified community development entity" means an
234 entity that:

235 (a) Is certified by the Secretary of the United States
236 Department of the Treasury as a qualified community development
237 entity under 26 U.S.C. s. 45D; and

238 (b) Has entered into, or is controlled by an entity that
239 has entered into, an allocation agreement with the Community
240 Development Financial Institutions Fund of the United States
241 Department of the Treasury with respect to tax credits under 26
242 U.S.C. s. 45D and is authorized to serve businesses in this
243 state under the agreement.

244 (9) "Qualified investment" means an equity investment in,
245 or a long-term debt security issued by, a qualified community
246 development entity that:

247 (a) Is issued solely in exchange for cash; and

248 (b) Is designated by the qualified community development
249 entity as a qualified investment under this paragraph and is
250 approved by the office as a qualified investment.

251 (10) "Qualified low-income community investment" means a
252 capital or equity investment in, or loan to, any qualified

253 active low-income community business.

254 Section 7. Section 288.9914, Florida Statutes, is created
255 to read:

256 288.9914 Certification of qualified investments;
257 investment issuance reporting.--

258 (1) ELIGIBLE INDUSTRIES.--

259 (a) The office, in consultation with Enterprise Florida,
260 Inc., shall designate industries using the North American
261 Industry Classification System which are eligible to receive
262 low-income community investments. The designated industries must
263 be those industries that have the greatest potential to create
264 strong positive impacts on or benefits to the state, regional,
265 and local economies.

266 (b) A qualified community development entity may not make
267 a qualified low-income community investment in a business unless
268 the principal activities of the business are within an eligible
269 industry. The office may waive this limitation if the office
270 determines that the investment will have a positive impact on a
271 community.

272 (2) APPLICATION.--A qualified community development entity
273 must submit an application to the office to approve a proposed
274 investment as a qualified investment. The application must
275 include:

276 (a) The name, address, and tax identification number of
277 the qualified community development entity.

278 (b) Proof of certification as a qualified community
279 development entity under 26 U.S.C. s. 45D.

280 (c) A copy of an allocation agreement executed by the

281 entity, or its controlling entity, and the Community Development
282 Financial Institutions Fund, which authorizes the entity to
283 serve businesses in this state.

284 (d) A verified statement by the chief executive officer of
285 the entity that the allocation agreement remains in effect.

286 (e) A description of the proposed amount, structure, and
287 purchaser of an equity investment or long-term debt security.

288 (f) The name and tax identification number of any person
289 authorized to claim a tax credit earned as a result of the
290 purchase of the proposed qualified investment.

291 (g) A detailed explanation of the proposed use of the
292 proceeds from a proposed qualified investment.

293 (h) A nonrefundable application fee of \$1,000, payable to
294 the office.

295 (i) A statement that the entity will invest only in the
296 industries designated by the office.

297 (j) The entity's plans for the development of
298 relationships with community-based organizations, local
299 community development offices and organizations, and economic
300 development organizations. The entity must also explain steps it
301 has taken to implement its plans to develop these relationships.

302 (k) A statement that the entity will not invest in a
303 qualified active low-income community business unless the
304 business will create or retain jobs that pay an average wage of
305 at least 115 percent of the federal poverty income guidelines
306 for a family of four.

307 (3) REVIEW.--

308 (a) The office shall review applications to approve an

309 investment as a qualified investment in the order received. The
310 office shall approve or deny an application within 30 days after
311 receipt.

312 (b) If the office intends to deny the application, the
313 office shall inform the applicant of the basis of the proposed
314 denial. The applicant shall have 15 days after it receives the
315 notice of the intent to deny the application to submit a revised
316 application to the office. The office shall issue a final order
317 approving or denying the revised application within 30 days
318 after receipt.

319 (c) The office may not approve a cumulative amount of
320 qualified investments that may result in the claim of more than
321 \$97.5 million in tax credits during the existence of the program
322 or more than \$20 million in tax credits in a single state fiscal
323 year. However, the potential for a taxpayer to carry forward an
324 unused tax credit may not be considered in calculating the
325 annual limit.

326 (4) APPROVAL.--

327 (a) The office shall provide a copy of the final order
328 approving an investment as a qualified investment to the
329 qualified community development entity and to the department.
330 The notice shall include the identity of the taxpayers who are
331 eligible to claim the tax credits and the amount that may be
332 claimed by each taxpayer.

333 (b) The office shall approve an application for part of
334 the amount of the proposed investment if the amount of tax
335 credits available are insufficient.

336 (c) If more than one application is found to comply with

337 subsection (3) on the same day and the amount of tax credits
 338 available are insufficient for all of the applications, the tax
 339 credits available to each applicant shall be in proportion to
 340 the proposed purchase price to the total purchase price of all
 341 of the proposed investments.

342 (5) DURATION OF APPROVAL.--The qualified community
 343 development entity must issue the qualified investment in
 344 exchange for cash within 60 days after it receives the order
 345 approving an investment as a qualified investment, otherwise the
 346 order is void.

347 (6) REPORT OF ISSUANCE OF A QUALIFIED INVESTMENT.--The
 348 qualified community development entity must provide the office
 349 with evidence of the receipt of the cash in exchange for the
 350 qualified investment within 30 business days after receipt.

351 Section 8. Section 288.9915, Florida Statutes, is created
 352 to read:

353 288.9915 Use of proceeds from qualified investments;
 354 recordkeeping.--

355 (1) A qualified community development entity may not make
 356 cash interest payments on a long-term debt security that is a
 357 qualified investment in excess of the entity's operating income
 358 for 6 years following the issuance of the security.

359 (2) A qualified community development entity shall keep
 360 detailed records showing the use of proceeds from qualified
 361 investments to fund qualified low-income community investments.

362 (3) A qualified active low-income community business,
 363 including its affiliates, may not receive more than \$10 million
 364 in qualified low-income community investments under the New

365 Markets Development Program Act.

366 Section 9. Section 288.9916, Florida Statutes, is created
367 to read:

368 288.9916 New markets tax credit.--

369 (1) A person or entity that makes a qualified investment
370 earns a vested tax credit pursuant to the New Markets
371 Development Program Act against taxes under s. 220.11 or s.
372 624.509 equal to 39 percent of the purchase price of the
373 qualified investment. The holder of a qualified investment may
374 claim the tax credit as follows:

375 (a) The holder may apply 7 percent of the purchase price
376 against its tax liability in the tax year containing the third
377 credit allowance date.

378 (b) The holder may apply 8 percent of the purchase price
379 against its tax liability in the tax years containing the fourth
380 through seventh credit allowance dates.

381 (c) A taxpayer may not claim a tax credit in excess of the
382 taxpayer's tax liability. If the credit granted pursuant to this
383 section is not fully used in any single year because of
384 insufficient tax liability on the part of the taxpayer, the
385 unused amount may be carried forward for a period not to exceed
386 5 years. The carryover credit may be used in a subsequent year
387 when the tax imposed for such year exceeds the credit for such
388 year, after applying the other credits and unused credit
389 carryovers in the order provided in s. 220.02(8). Carryover
390 credit amounts shall be treated as unused credits for purposes
391 of the transfer of unused credits pursuant to paragraph (2)(b).

392 (d) An insurance company that is subject to the insurance

393 premium tax under s. 624.509 must apply the tax credit against
394 the insurance premium tax. An insurer that claims a credit
395 against premium tax liability earned by making a qualified
396 investment under this section is not required to pay any
397 additional retaliatory tax levied pursuant to s. 624.5091 as a
398 result of claiming the tax credit. If the credit granted
399 pursuant to this section is not fully used in any single year
400 because of insufficient tax liability on the part of the
401 taxpayer, the unused amount may be carried forward for a period
402 not to exceed 5 years. The carryover credit may be used in a
403 subsequent year when the tax imposed for such year exceeds the
404 credit for such year, after applying the other credits and
405 unused credit carryovers. Carryover credit amounts shall be
406 treated as unused credits for purposes of the transfer of unused
407 credits pursuant to paragraph (2) (b).

408 (2) A tax credit earned under this section may not be sold
409 or transferred, except as provided in this subsection.

410 (a) A partner, member, or shareholder of a partnership,
411 limited liability company, S-corporation, or other "pass-
412 through" entity may claim the tax credit pursuant to an
413 agreement among the partners, members, or shareholders. Any
414 change in the allocation of a tax credit under the agreement
415 must be reported to the office and to the department.

416 (b) Eligibility to claim a tax credit transfers to
417 subsequent purchasers of a qualified investment. Such transfers
418 must be reported to the office and to the department along with
419 the identity, tax identification number, and tax credit amount
420 allocated to a taxpayer pursuant to paragraph (a). The notice of

421 transfer also must state whether unused tax credits are being
422 transferred and the amount of unused tax credits being
423 transferred.

424 Section 10. Section 288.9917, Florida Statutes, is created
425 to read:

426 288.9917 Community development entity reporting after a
427 credit allowance date; certification of tax credit amount.--

428 (1) A qualified community development entity that has
429 issued a qualified investment shall submit the following to the
430 office within 30 days after each credit allowance date:

431 (a) A list of all qualified active low-income community
432 businesses in which a qualified low-income community investment
433 was made since the last credit allowance date. The list shall
434 also describe the type and amount of investment in each business
435 and the address of the principal location of each business. The
436 list must be verified by the chief executive officer of the
437 community development entity.

438 (b) Bank records, wire transfer records, or similar
439 documents that provide evidence of the qualified low-income
440 community investments made since the last credit allowance date.

441 (c) A verified statement by the chief financial or
442 accounting officer of the community development entity that no
443 redemption or principal repayment was made with respect to the
444 qualified investment since the previous credit allowance date.

445 (d) Information relating to the recapture of the federal
446 new markets tax credit since the last credit allowance date.

447 (2) The office shall certify in writing to the qualified
448 community development entity and to the department the amount of

449 the tax credit authorized for each taxpayer eligible to claim
450 the tax credit in the tax year containing the last credit
451 allowance date.

452 Section 11. Section 288.9918, Florida Statutes, is created
453 to read:

454 288.9918 Annual reporting by a community development
455 entity.--A community development entity that has issued a
456 qualified investment shall submit an annual report to the office
457 by April 30 after the end of each year which includes a credit
458 allowance date. The report shall include:

459 (1) The entity's annual financial statements for the
460 preceding tax year, audited by an independent certified public
461 accountant.

462 (2) The identity of the types of industries, identified by
463 the North American Industry Classification System Code, in which
464 qualified low-income community investments were made.

465 (3) The names of the counties in which the qualified
466 active low-income businesses are located which received
467 qualified low-income community investments.

468 (4) The number of jobs created and retained by qualified
469 active low-income community businesses receiving qualified low-
470 income community investments, including verification that the
471 average wages paid meet or exceed 115 percent of the federal
472 poverty income guidelines for a family of four.

473 (5) A description of the relationships that the entity has
474 established with community-based organizations and local
475 community development offices and organizations and a summary of
476 the outcomes resulting from those relationships.

477 (6) Other information and documentation required by the
478 office to verify continued certification as a qualified
479 community development entity under 26 U.S.C. s. 45D.

480 Section 12. Section 288.9919, Florida Statutes, is created
481 to read:

482 288.9919 Audits and examinations; penalties.--

483 (1) AUDITS.--A community development entity that issues an
484 investment approved by the office as a qualified investment
485 shall be deemed a recipient of state financial assistance under
486 s. 215.97, the Florida Single Audit Act. However, an entity that
487 makes a qualified investment or receives a qualified low-income
488 community investment is not a subrecipient for the purposes of
489 s. 215.97.

490 (2) EXAMINATIONS.--The office may conduct examinations to
491 verify compliance with the New Markets Development Program Act.

492 Section 13. Section 288.9920, Florida Statutes, is created
493 to read:

494 288.9920 Recapture and penalties.--

495 (1) Notwithstanding s. 95.091, the office shall direct the
496 department, at any time before December 31, 2022, to recapture
497 all or a portion of a tax credit authorized pursuant to the New
498 Markets Development Program Act if one or more of the following
499 occur:

500 (a) The Federal Government recaptures any portion of the
501 federal new markets tax credit. The recapture by the department
502 shall equal the recapture by the Federal Government.

503 (b) The qualified community development entity redeems or
504 makes a principal repayment on a qualified investment before the

505 final allowance date. The recapture by the department shall
506 equal the redemption or principal repayment divided by the
507 purchase price and multiplied by the tax credit authorized to a
508 taxpayer for the qualified investment.

509 (c)1. The qualified community development entity fails to
510 invest at least 85 percent of the purchase price in qualified
511 low-income community investments within 12 months after the
512 issuance of a qualified investment; or

513 2. The qualified community development entity fails to
514 maintain 85 percent of the purchase price in qualified low-
515 income community investments until the last credit allowance
516 date for a qualified investment.

517
518 For the purposes of this paragraph, an investment by a qualified
519 community development entity includes principal recovered from
520 an investment for 12 months after its recovery or principal
521 recovered after the sixth credit allowance date. Principal held
522 for longer than 12 months or recovered before the sixth credit
523 allowance date is not an investment unless it is reinvested in a
524 qualified low-income community investment.

525 (d) The qualified community development entity fails to
526 provide the office with information, reports, or documentation
527 required by the New Markets Development Program Act.

528 (e) The office determines that a taxpayer received tax
529 credits to which the taxpayer was not entitled.

530 (2) The office shall provide notice to the qualified
531 community development entity and the department of a proposed
532 recapture of a tax credit. The entity shall have 90 days

CS/CS/HB 485

2009

533 following the receipt of the notice to cure a deficiency
534 identified in the notice and avoid recapture. The office shall
535 issue a final order of recapture if the entity fails to cure a
536 deficiency within the 90-day period. The final order of
537 recapture shall be provided to the entity, the department, and a
538 taxpayer otherwise authorized to claim the tax credit.
539 Recaptured funds shall be deposited into the General Revenue
540 Fund.

541 (3) An entity that submits fraudulent information to the
542 office is liable for the costs associated with the investigation
543 and prosecution of the fraudulent claim plus a penalty in an
544 amount equal to double the tax credits claimed by investors in
545 the entity's qualified investments. This penalty is in addition
546 to any other penalty that may be imposed by law.

547 Section 14. Section 288.9921, Florida Statutes, is created
548 to read:

549 288.9921 Rulemaking.--The office and the department may
550 adopt rules pursuant to ss. 120.536(1) and 120.54 to administer
551 ss. 288.991-288.9920.

552 Section 15. Section 288.9922, Florida Statutes, is created
553 to read:

554 288.9922 Expiration of the New Markets Development Program
555 Act.--Sections 288.991-288.9921 and this section expire December
556 31, 2022.

557 Section 16. This act shall take effect July 1, 2009.