

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          Lee, and Collier Counties as pilot project super  
23          enterprise zones for a certain period; providing  
24          qualification criteria; providing application  
25          requirements; providing for future expiration and  
26          revocation of the designations; creating s. 290.00682,  
27          F.S.; providing requirements for qualification as a  
28          certified business for purposes of the sales tax

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

41

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

43

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

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

50 (34) "Certified business" means a business that is located  
 51 in a super enterprise zone and that is certified under s.  
 52 290.00682. This subsection expires June 30, 2023.

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

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

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57 rental, the use, the consumption, the distribution, and the  
58 storage to be used or consumed in this state of the following  
59 are hereby specifically exempt from the tax imposed by this  
60 chapter.

61 (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.—

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

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

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

81 (b) Notwithstanding paragraph (a), a new business  
82 established in a super enterprise zone and certified on or after  
83 July 1, 2011, pursuant to s. 290.00682, is eligible for the  
84 exemptions provided under this subsection for a period not to

85 exceed 10 years immediately following such certification. For an  
 86 existing business located in a super enterprise zone and  
 87 certified on or after July 1, 2011, the exemptions provided  
 88 under this subsection are available for a period not to exceed 5  
 89 years, beginning in the year in which the business receives its  
 90 initial certification and continuing for up to 5 years  
 91 immediately following such certification.

92 (c) This subsection expires June 30, 2023.

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

98 290.0056 Enterprise zone development agency.—

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

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

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

106  
 107 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,  
 108 this paragraph expires June 30, 2023.

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

112 (f) The economic impact of a super enterprise zone, if

113 applicable, including:

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

116 2. The number of jobs created.

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

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

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

124  
 125 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,  
 126 this paragraph expires June 30, 2022.

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

129 290.0057 Enterprise zone development plan.—

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

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

137 (b) Describe the ways in which the community's approaches  
 138 to economic development, social and human services,  
 139 transportation, housing, community development, public safety,  
 140 and educational and environmental concerns will be addressed in

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141 a coordinated fashion, and explain how these linkages support  
142 the community's goals.

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

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

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

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

168 (g) Indicate how state enterprise zone tax incentives and

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169 state, local, and federal resources will be used ~~utilized~~ within  
170 the nominated area.

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

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

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

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

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

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  
 215 revitalizing 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, 2023, and any  
 231 designation made pursuant to this section shall be revoked on  
 232 that date.

233 290.00682 Super enterprise zones; business certification.-

234 (1) A certified business is eligible for the tax  
 235 exemptions provided in s. 212.08(19). In order to qualify as a  
 236 certified business, receive an exemption certificate, and  
 237 continue to receive the tax exemptions provided in s.  
 238 212.08(19), a business must:

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

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

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

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

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

253 zone development agency for good cause.

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

265 (3) A local enterprise zone development agency may  
 266 disqualify a certified business at any time if the business  
 267 fails to meet the requirements of subsection (1). A business  
 268 that makes a fraudulent claim under this section for tax  
 269 exemptions provided in s. 212.08(19) is liable for the payment  
 270 of the tax due, together with the penalties set forth in s.  
 271 212.085, and as otherwise provided by law.

272 (4) This section expires June 30, 2023, and any  
 273 certification made pursuant to this section shall be revoked on  
 274 that date.

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

277 290.007 State incentives available in enterprise zones and  
 278 super enterprise zones.—

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

281        (a)~~(1)~~ The enterprise zone jobs credit provided in s.  
 282 220.181.

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

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

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

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

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

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

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

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

308        (a) The sales tax exemption for certified businesses

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309 provided in s. 212.08(19)(a)1.

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

312 Section 7. Before the 2017 Regular Session of the  
313 Legislature, the Office of Program Policy Analysis and  
314 Government Accountability shall conduct an interim review and  
315 evaluation of the effectiveness and viability of the super  
316 enterprise zones designated under s. 290.00681, Florida  
317 Statutes. The office shall specifically evaluate whether relief  
318 from the specified taxes caused or induced new investment and  
319 development in the super enterprise zones; increased the number  
320 of jobs created or retained in the super enterprise zones;  
321 caused or induced the renovation, rehabilitation, restoration,  
322 improvement, or new construction of businesses or housing within  
323 the super enterprise zones; or contributed to the economic  
324 viability and profitability of business and commerce located  
325 within the super enterprise zones. The office shall submit a  
326 report of its findings and recommendations to the President of  
327 the Senate and the Speaker of the House of Representatives by  
328 December 1, 2016. In 2022, the office shall conduct a final  
329 review in accordance with this section and make a final report  
330 to the President of the Senate and the Speaker of the House of  
331 Representatives by December 1 of that year.

332 Section 8. This act shall take effect July 1, 2010.