

By the Committee on Commerce; and Senator Bullard

577-04825-10

2010414c1

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

577-04825-10

2010414c1

30 exemption; authorizing a local enterprise zone  
31 development agency to certify businesses; requiring  
32 the agency to provide lists of certified businesses;  
33 providing for disqualifying certified businesses under  
34 certain circumstances; providing for future expiration  
35 and revocation of certifications; amending s. 290.007,  
36 F.S.; specifying incentives for the revitalization of  
37 super enterprise zones; requiring interim and final  
38 reviews of super enterprise zones by the Office of  
39 Program Policy Analysis and Government Accountability;  
40 providing review criteria; requiring reports to the  
41 Legislature; 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 that is located  
52 in a super enterprise zone and that is certified under s.  
53 290.00682. This subsection expires June 30, 2023.

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

577-04825-10

2010414c1

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, 2011, 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

577-04825-10

2010414c1

88 certified on or after July 1, 2011, 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, 2023.

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, 2023.

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.

577-04825-10

2010414c1

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, 2022.

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,

577-04825-10

2010414c1

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.

577-04825-10

2010414c1

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 six areas in the state as super enterprise zones  
183 for a 10-year period. These areas shall serve as a pilot project  
184 for this program. Specifically, the area in Miami-Dade County  
185 bordered by Northwest 23rd Street to the north, Northwest 5th  
186 Street to the south, Northeast 1st Avenue to the east, and  
187 Northwest 8th Avenue to the west; the area of Overtown in Miami-  
188 Dade County; the incorporated area of the City of Ft. Myers in  
189 Lee County; and the area of Immokalee in Collier County shall be  
190 designated as super enterprise zones. In order to qualify as a  
191 super enterprise zone, an area must:

192 (a) Be located in an enterprise zone and be no larger than  
193 3 contiguous square miles.

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

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

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

577-04825-10

2010414c1

204 (e) Demonstrate evidence of significant job loss or  
205 dislocation in the area.

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

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

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

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

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

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

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

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

231 (3) This section expires June 30, 2023, and any designation  
232 made pursuant to this section shall be revoked on that date.



577-04825-10

2010414c1

233       290.00682 Super enterprise zones; business certification.-

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

577-04825-10

2010414c1

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 to  
276 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

577-04825-10

2010414c1

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  
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

577-04825-10

2010414c1

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.