

1 A bill to be entitled
2 An act relating to economic development; amending s.
3 14.2015, F.S.; authorizing the Office of Tourism, Trade,
4 and Economic Development to administer corporate income
5 tax credits for spaceflight projects; amending ss. 72.011
6 and 72.041, F.S.; deleting a reference to conform to
7 changes made by this act; amending s. 216.138, F.S.;
8 providing for special impact estimating conferences to
9 evaluate legislative proposals; requiring conference
10 meetings to be open to the public; specifying the four
11 principals of the conference; authorizing the convening of
12 any special estimating conference by a specified principal
13 in order to adopt certain supplemental information;
14 requiring all official information of a special impact
15 estimating conference to be adopted by consensus;
16 authorizing a principal to invite any person to
17 participate in the conference; providing definitions;
18 amending ss. 220.02 and 220.13, F.S.; revising references
19 to conform to changes made by this act; revising the order
20 in which credits against the corporate income tax or
21 franchise tax may be taken to include credits for certain
22 spaceflight projects and certain research and development;
23 redefining the term "adjusted federal income" to include
24 the amount of certain tax credits taken relating to
25 spaceflight projects and research and development;
26 providing application; prohibiting a deduction from
27 taxable income for any net operating loss if a credit
28 against corporate income taxes relating to a spaceflight

29 | project has been taken or transferred; amending s.
30 | 220.131, F.S.; conforming provisions to changes made by
31 | this act; amending s. 220.15, F.S.; conforming provisions
32 | to changes made by this act; creating s. 220.153, F.S.;
33 | defining the terms "office" and "qualified capital
34 | expenditures"; providing for the apportionment of certain
35 | taxpayer's adjusted federal income solely by the sales
36 | factor provided in s. 220.15, F.S.; providing for
37 | eligibility based on the taxpayer's capital expenditures;
38 | providing a qualification and application process;
39 | authorizing the Department of Revenue to examine and
40 | verify that a taxpayer has correctly apportioned its
41 | taxes; authorizing the Office of Tourism, Trade, and
42 | Economic Development to approve and revoke approval of an
43 | application; providing for the recapture of unpaid taxes,
44 | interest, and penalties; authorizing the Office of
45 | Tourism, Trade, and Economic Development and the
46 | Department of Revenue to adopt rules; amending s.
47 | 220.1845, F.S.; increasing the annual tax credit cap
48 | relating to contaminated site rehabilitation; amending s.
49 | 376.30781, F.S.; conforming references; amending s.
50 | 220.16, F.S.; requiring that the amount of payments
51 | received in exchange for transferring a net operating loss
52 | for spaceflight projects be allocated to the state;
53 | creating s. 220.194, F.S.; providing a short title;
54 | providing legislative purpose; defining terms; authorizing
55 | a certified spaceflight business to take or transfer
56 | corporate income tax credits related to spaceflight

57 | projects carried out in this state; specifying tax credit
58 | amounts and business eligibility criteria; providing
59 | limitations; requiring a business to demonstrate to the
60 | satisfaction of the office and the department its
61 | eligibility to claim a tax credit; requiring a business to
62 | submit an application to the office for approval to earn
63 | credits; specifying the required contents of the
64 | application; requiring the office to approve or deny an
65 | application within 60 days after receipt; specifying the
66 | approval process; requiring a spaceflight business to
67 | submit an application for certification to the office;
68 | specifying the required contents of an application for
69 | certification; specifying the approval process; requiring
70 | the office to submit a copy of an approved certification
71 | to the department; providing procedures for transferring a
72 | tax credit to a taxpayer; authorizing the department to
73 | perform audits and investigations necessary to verify the
74 | accuracy of returns relating to the tax credit; specifying
75 | circumstances under which the office may revoke or modify
76 | a certification that grants eligibility for tax credits;
77 | requiring a certified spaceflight business to file an
78 | amended return and pay any required tax within 60 days
79 | after receiving notice that previously approved tax
80 | credits have been revoked or modified; authorizing the
81 | department to assess additional taxes, interest, or
82 | penalties; authorizing the office and the department to
83 | adopt rules; requiring the office to submit an annual
84 | report to the Governor and Legislature regarding the

85 Florida Space Business Incentives Act; creating s.
86 220.195, F.S.; creating a corporate income tax credit to
87 continue credits available under the emergency excise tax;
88 creating s. 220.196, F.S.; providing application;
89 providing definitions; providing a tax credit for certain
90 research and development expenses; providing eligibility
91 requirements for research and development tax credits;
92 providing limitations regarding eligibility; providing an
93 amount for such credit; providing a maximum amount of
94 credit that may be taken during a taxable year by a
95 business enterprise; providing that any unused credit may
96 be carried forward for a specified period; limiting the
97 total amount of tax credits which may be approved by the
98 department in a calendar year; providing that applications
99 for credits may be filed on or after a specified date;
100 requiring that the credits be granted in the order in
101 which applications are received; requiring the
102 recalculation of a credit under certain circumstances;
103 authorizing the department to adopt rules; amending ss.
104 220.801, 213.05, 213.053, and 213.255, F.S.; deleting
105 references to conform to changes made by this act;
106 authorizing the department to share information with the
107 office relating to single sales factor apportionment used
108 by a taxpayer; authorizing the department to share
109 information relating to corporate income tax credits for
110 spaceflight projects with the office; repealing chapter
111 221, F.S.; repealing the emergency excise tax and related
112 provisions; amending ss. 288.075, 288.1045, and 288.106,

113 F.S.; deleting references to conform to changes made by
114 this act; revising a provision to conform to changes made
115 by this act; amending s. 288.1254, F.S.; revising and
116 providing definitions; revising criteria for awarding tax
117 credits and increasing the amount of credits to be awarded
118 under the entertainment industry financial incentive
119 program; revising the application procedure and approval
120 process; permitting an initial transferee of tax credits
121 to make a one-time transfer of unused tax credits;
122 amending s. 288.1258, F.S.; changing the recordkeeping
123 requirements of the Office of Film and Entertainment;
124 amending s. 290.0055, F.S.; authorizing certain governing
125 bodies to apply to the Office of Tourism, Trade, and
126 Economic Development to amend the boundary of an
127 enterprise zone that includes a rural area of critical
128 economic concern; providing a limitation; providing an
129 application deadline; authorizing the office to approve
130 the amendment application subject to certain requirements;
131 requiring the office to establish the effective date of
132 certain enterprise zones; creating s. 290.00726, F.S.;
133 authorizing Martin County to apply to the Office of
134 Tourism, Trade, and Economic Development for designation
135 of an enterprise zone; providing application requirements;
136 authorizing the office to designate an enterprise zone in
137 Martin County; providing responsibilities of the office;
138 creating s. 290.00727, F.S.; authorizing the City of Palm
139 Bay to apply to the Office of Tourism, Trade, and Economic
140 Development for designation of an enterprise zone;

141 providing application requirements; authorizing the office
 142 to designate an enterprise zone in the City of Palm Bay;
 143 providing responsibilities of the office; creating s.
 144 290.00728, F.S.; authorizing Lake County to apply to the
 145 Office of Tourism, Trade, and Economic Development for
 146 designation of an enterprise zone; providing application
 147 requirements; authorizing the office to designate an
 148 enterprise zone in Lake County; providing responsibilities
 149 of the office; amending ss. 334.30, 624.509, and
 150 624.51055, F.S.; deleting references to conform to changes
 151 made by this act; authorizing the executive director of
 152 the Department of Revenue to adopt emergency rules;
 153 specifying a period during this year when the sale of
 154 clothing, wallets, bags, and school supplies are exempt
 155 from the sales tax; providing definitions; providing
 156 exceptions; authorizing the Department of Revenue to adopt
 157 emergency rules; providing an appropriation; creating s.
 158 288.987, F.S.; creating the Florida Defense Support Task
 159 Force; providing for the task force's mission, membership
 160 composition, appointment of membership, and
 161 administration; authorizing the expenditure of
 162 appropriated funds by the task force for specified
 163 purposes; providing appropriations to the Executive Office
 164 of the Governor, Office of Tourism, Trade and Economic
 165 Development; providing effective dates.

166
 167 Be It Enacted by the Legislature of the State of Florida:
 168

169 Section 1. Paragraph (f) of subsection (2) of section
 170 14.2015, Florida Statutes, is amended to read:

171 14.2015 Office of Tourism, Trade, and Economic
 172 Development; creation; powers and duties.—

173 (2) The purpose of the Office of Tourism, Trade, and
 174 Economic Development is to assist the Governor in working with
 175 the Legislature, state agencies, business leaders, and economic
 176 development professionals to formulate and implement coherent
 177 and consistent policies and strategies designed to provide
 178 economic opportunities for all Floridians. To accomplish such
 179 purposes, the Office of Tourism, Trade, and Economic Development
 180 shall:

181 (f)~~1~~. Administer the Florida Enterprise Zone Act under ss.
 182 290.001-290.016, the community contribution tax credit program
 183 under ss. 220.183 and 624.5105, the tax refund program for
 184 qualified target industry businesses under s. 288.106, the tax-
 185 refund program for qualified defense contractors and space
 186 flight business contractors under s. 288.1045, contracts for
 187 transportation projects under s. 288.063, the sports franchise
 188 facility programs under ss. 288.1162 and 288.11621, the
 189 professional golf hall of fame facility program under s.
 190 288.1168, the expedited permitting process under s. 403.973, the
 191 Rural Community Development Revolving Loan Fund under s.
 192 288.065, the Regional Rural Development Grants Program under s.
 193 288.018, the Certified Capital Company Act under s. 288.99, the
 194 Florida State Rural Development Council, the Rural Economic
 195 Development Initiative, the corporate income tax credits for
 196 spaceflight projects under s. 220.194, and other programs that

197 are specifically assigned to the office by law, by the
 198 appropriations process, or by the Governor.

199 1. Notwithstanding any other provisions of law, the office
 200 may expend interest earned from the investment of program funds
 201 deposited in the Grants and Donations Trust Fund to contract for
 202 the administration of the programs, or portions of the programs,
 203 enumerated in this paragraph or assigned to the office by law,
 204 by the appropriations process, or by the Governor. Such
 205 expenditures are ~~shall be~~ subject to review under chapter 216.

206 2. The office may enter into contracts in connection with
 207 the fulfillment of its duties concerning the Florida First
 208 Business Bond Pool under chapter 159, tax incentives under
 209 chapters 212 and 220, tax incentives under the Certified Capital
 210 Company Act in chapter 288, foreign offices under chapter 288,
 211 the Enterprise Zone program under chapter 290, the Seaport
 212 Employment Training program under chapter 311, the Florida
 213 Professional Sports Team License Plates under chapter 320,
 214 Spaceport Florida under chapter 331, Expedited Permitting under
 215 chapter 403, and in carrying out other functions that are
 216 specifically assigned to the office by law, by the
 217 appropriations process, or by the Governor.

218 Section 2. Effective January 1, 2012, paragraph (a) of
 219 subsection (1) of section 72.011, Florida Statutes, is amended
 220 to read:

221 72.011 Jurisdiction of circuit courts in specific tax
 222 matters; administrative hearings and appeals; time for
 223 commencing action; parties; deposits.-

224 (1) (a) A taxpayer may contest the legality of any
 225 assessment or denial of refund of tax, fee, surcharge, permit,
 226 interest, or penalty provided for under s. 125.0104, s.
 227 125.0108, chapter 198, chapter 199, chapter 201, chapter 202,
 228 chapter 203, chapter 206, chapter 207, chapter 210, chapter 211,
 229 chapter 212, chapter 213, chapter 220, ~~chapter 221~~, s.
 230 379.362(3), chapter 376, s. 403.717, s. 403.718, s. 403.7185, s.
 231 538.09, s. 538.25, chapter 550, chapter 561, chapter 562,
 232 chapter 563, chapter 564, chapter 565, chapter 624, or s.
 233 681.117 by filing an action in circuit court; or, alternatively,
 234 the taxpayer may file a petition under the applicable provisions
 235 of chapter 120. However, once an action has been initiated under
 236 s. 120.56, s. 120.565, s. 120.569, s. 120.57, or s.
 237 120.80(14) (b), no action relating to the same subject matter may
 238 be filed by the taxpayer in circuit court, and judicial review
 239 shall be exclusively limited to appellate review pursuant to s.
 240 120.68; and once an action has been initiated in circuit court,
 241 no action may be brought under chapter 120.

242 Section 3. Effective January 1, 2012, section 72.041,
 243 Florida Statutes, is amended to read:

244 72.041 Tax liabilities arising under the laws of other
 245 states.—Actions to enforce lawfully imposed sales, use, and
 246 corporate income taxes and motor and other fuel taxes of another
 247 state may be brought in a court of this state under the
 248 following conditions:

249 (1) The state seeking to institute an action for the
 250 collection, assessment, or enforcement of a lawfully imposed tax
 251 must have extended a like courtesy to this state;

252 (2) Venue for any action under this section shall be the
 253 circuit court of the county in which the defendant resides;

254 (3) This section does not apply to the enforcement of tax
 255 warrants of another state unless the warrant has been obtained
 256 as a result of a judgment entered by a court of competent
 257 jurisdiction in the taxing state or unless the courts of the
 258 state seeking to enforce its warrant allow the enforcement of
 259 the warrants issued by the Department of Revenue pursuant to
 260 chapters 206, 212, 213, and 220, ~~and 221~~; and

261 (4) All tax liabilities owing to this state or any of its
 262 subdivisions shall be paid first and shall be prior in right to
 263 any tax liability arising under the laws of other states.

264 Section 4. Section 216.138, Florida Statutes, is amended
 265 to read:

266 216.138 Authority to request additional analysis of
 267 legislative proposals ~~legislation~~.—

268 (1) The President of the Senate or the Speaker of the
 269 House of Representatives may request special impact ~~sessions of~~
 270 ~~consensus~~ estimating conferences to evaluate legislative
 271 proposals ~~proposed legislation~~ based on tools and models not
 272 generally employed by the consensus estimating conferences,
 273 including cost-benefit, return-on-investment, or dynamic scoring
 274 techniques, when suitable and appropriate for the legislative
 275 proposals ~~legislation~~ being evaluated.

276 (2) Unless exempt from s. 119.07(1), information used to
 277 develop the analyses shall be available to the public. In
 278 addition, all meetings of a special impact estimating conference
 279 shall be open to the public. The President of the Senate and the

280 Speaker of the House of Representatives, jointly, shall be the
281 sole judge for the interpretation, implementation, and
282 enforcement of this subsection.

283 (3) A special impact estimating conference shall consist
284 of four principals: one person from the Executive Office of the
285 Governor; the coordinator of the Office of Economic and
286 Demographic Research, or his or her designee; one person from
287 the professional staff of the Senate; and one person from the
288 professional staff of the House of Representatives. Each
289 principal shall have appropriate fiscal expertise in the subject
290 matter of the legislative proposal. A separate special impact
291 estimating conference may be appointed for each proposal.

292 (4) After the designation of the four principals, a
293 special impact estimating conference shall convene to adopt
294 official information relating to the proposal.

295 (a) A principal may invite any person to participate in a
296 special impact estimating conference. Such person shall be
297 designated as a participant. A participant shall, at the request
298 of any principal before or during any meeting of a conference,
299 collect and supply data, perform analyses, or provide other
300 information needed by a conference.

301 (b) The principal from the Office of Economic and
302 Demographic Research may convene any of the conferences
303 established in s. 216.136 to reach a consensus on supplemental
304 information required for the analysis of the proposed
305 legislation.

306 (c) All official information of a special impact
307 estimating conference shall be adopted by consensus of all of

308 the principals of the conference. For the purposes of this
 309 section, the terms "official information" and "consensus" have
 310 the same meanings as provided in s. 216.133.

311 Section 5. Subsection (8) of section 220.02, Florida
 312 Statutes, is amended to read:

313 220.02 Legislative intent.—

314 (8) It is the intent of the Legislature that credits
 315 against either the corporate income tax or the franchise tax be
 316 applied in the following order: those enumerated in s. 631.828,
 317 those enumerated in s. 220.191, those enumerated in s. 220.181,
 318 those enumerated in s. 220.183, those enumerated in s. 220.182,
 319 those enumerated in s. 220.1895, those enumerated in s. 221.02,
 320 those enumerated in s. 220.184, those enumerated in s. 220.186,
 321 those enumerated in s. 220.1845, those enumerated in s. 220.19,
 322 those enumerated in s. 220.185, those enumerated in s. 220.1875,
 323 those enumerated in s. 220.192, those enumerated in s. 220.193,
 324 those enumerated in s. 288.9916, those enumerated in s.
 325 220.1899, ~~and~~ those enumerated in s. 220.1896, those enumerated
 326 in s. 220.194, and those enumerated in s. 220.196.

327 Section 6. Effective January 1, 2012, subsection (8) of
 328 section 220.02, Florida Statutes, as amended by this act, is
 329 amended to read:

330 220.02 Legislative intent.—

331 (8) It is the intent of the Legislature that credits
 332 against either the corporate income tax or the franchise tax be
 333 applied in the following order: those enumerated in s. 631.828,
 334 those enumerated in s. 220.191, those enumerated in s. 220.181,
 335 those enumerated in s. 220.183, those enumerated in s. 220.182,

336 those enumerated in s. 220.1895, those enumerated in s. 220.195
 337 ~~221.02~~, those enumerated in s. 220.184, those enumerated in s.
 338 220.186, those enumerated in s. 220.1845, those enumerated in s.
 339 220.19, those enumerated in s. 220.185, those enumerated in s.
 340 220.1875, those enumerated in s. 220.192, those enumerated in s.
 341 220.193, those enumerated in s. 288.9916, those enumerated in s.
 342 220.1899, those enumerated in s. 220.1896, those enumerated in
 343 s. 220.194, and those enumerated in 220.196.

344 Section 7. Paragraphs (a) and (b) of subsection (1) of
 345 section 220.13, Florida Statutes, are amended to read:

346 220.13 "Adjusted federal income" defined.—

347 (1) The term "adjusted federal income" means an amount
 348 equal to the taxpayer's taxable income as defined in subsection
 349 (2), or such taxable income of more than one taxpayer as
 350 provided in s. 220.131, for the taxable year, adjusted as
 351 follows:

352 (a) Additions.—There shall be added to such taxable
 353 income:

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

359 2. The amount of interest which is excluded from taxable
 360 income under s. 103(a) of the Internal Revenue Code or any other
 361 federal law, less the associated expenses disallowed in the
 362 computation of taxable income under s. 265 of the Internal
 363 Revenue Code or any other law, excluding 60 percent of any

364 amounts included in alternative minimum taxable income, as
 365 defined in s. 55(b)(2) of the Internal Revenue Code, if the
 366 taxpayer pays tax under s. 220.11(3).

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

371 4. That portion of the wages or salaries paid or incurred
 372 for the taxable year which is equal to the amount of the credit
 373 allowable for the taxable year under s. 220.181. This
 374 subparagraph shall expire on the date specified in s. 290.016
 375 for the expiration of the Florida Enterprise Zone Act.

376 5. That portion of the ad valorem school taxes paid or
 377 incurred for the taxable year which is equal to the amount of
 378 the credit allowable for the taxable year under s. 220.182. This
 379 subparagraph shall expire on the date specified in s. 290.016
 380 for the expiration of the Florida Enterprise Zone Act.

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

385 7. That portion of assessments to fund a guaranty
 386 association incurred for the taxable year which is equal to the
 387 amount of the credit allowable for the taxable year.

388 8. In the case of a nonprofit corporation which holds a
 389 pari-mutuel permit and which is exempt from federal income tax
 390 as a farmers' cooperative, an amount equal to the excess of the

391 gross income attributable to the pari-mutuel operations over the
 392 attributable expenses for the taxable year.

393 9. The amount taken as a credit for the taxable year under
 394 s. 220.1895.

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

398 11. The amount taken as a credit for the taxable year
 399 under s. 220.1875. The addition in this subparagraph is intended
 400 to ensure that the same amount is not allowed for the tax
 401 purposes of this state as both a deduction from income and a
 402 credit against the tax. This addition is not intended to result
 403 in adding the same expense back to income more than once.

404 12. The amount taken as a credit for the taxable year
 405 under s. 220.192.

406 13. The amount taken as a credit for the taxable year
 407 under s. 220.193.

408 14. Any portion of a qualified investment, as defined in
 409 s. 288.9913, which is claimed as a deduction by the taxpayer and
 410 taken as a credit against income tax pursuant to s. 288.9916.

411 15. The costs to acquire a tax credit pursuant to s.
 412 288.1254(5) that are deducted from or otherwise reduce federal
 413 taxable income for the taxable year.

414 16. The amount taken as a credit for the taxable year
 415 under s. 220.194.

416 17. The amount taken as a credit for the taxable year
 417 under s. 220.196. The addition in this subparagraph is intended
 418 to ensure that the same amount is not allowed for the tax

419 purposes of this state as both a deduction from income and a
 420 credit against the tax. The addition is not intended to result
 421 in adding the same expense back to income more than once.

422 (b) Subtractions.—

423 1. There shall be subtracted from such taxable income:

424 a. The net operating loss deduction allowable for federal
 425 income tax purposes under s. 172 of the Internal Revenue Code
 426 for the taxable year, except that any net operating loss that is
 427 transferred pursuant to s. 220.194(6) may not be deducted by the
 428 seller,

429 b. The net capital loss allowable for federal income tax
 430 purposes under s. 1212 of the Internal Revenue Code for the
 431 taxable year,

432 c. The excess charitable contribution deduction allowable
 433 for federal income tax purposes under s. 170(d)(2) of the
 434 Internal Revenue Code for the taxable year, and

435 d. The excess contributions deductions allowable for
 436 federal income tax purposes under s. 404 of the Internal Revenue
 437 Code for the taxable year.

438

439 However, a net operating loss and a capital loss shall never be
 440 carried back as a deduction to a prior taxable year, but all
 441 deductions attributable to such losses shall be deemed net
 442 operating loss carryovers and capital loss carryovers,
 443 respectively, and treated in the same manner, to the same
 444 extent, and for the same time periods as are prescribed for such
 445 carryovers in ss. 172 and 1212, respectively, of the Internal
 446 Revenue Code.

447 2. There shall be subtracted from such taxable income any
448 amount to the extent included therein the following:

449 a. Dividends treated as received from sources without the
450 United States, as determined under s. 862 of the Internal
451 Revenue Code.

452 b. All amounts included in taxable income under s. 78 or
453 s. 951 of the Internal Revenue Code.

454

455 However, as to any amount subtracted under this subparagraph,
456 there shall be added to such taxable income all expenses
457 deducted on the taxpayer's return for the taxable year which are
458 attributable, directly or indirectly, to such subtracted amount.
459 Further, no amount shall be subtracted with respect to dividends
460 paid or deemed paid by a Domestic International Sales
461 Corporation.

462 3. In computing "adjusted federal income" for taxable
463 years beginning after December 31, 1976, there shall be allowed
464 as a deduction the amount of wages and salaries paid or incurred
465 within this state for the taxable year for which no deduction is
466 allowed pursuant to s. 280C(a) of the Internal Revenue Code
467 (relating to credit for employment of certain new employees).

468 4. There shall be subtracted from such taxable income any
469 amount of nonbusiness income included therein.

470 5. There shall be subtracted any amount of taxes of
471 foreign countries allowable as credits for taxable years
472 beginning on or after September 1, 1985, under s. 901 of the
473 Internal Revenue Code to any corporation which derived less than
474 20 percent of its gross income or loss for its taxable year

475 ended in 1984 from sources within the United States, as
 476 described in s. 861(a)(2)(A) of the Internal Revenue Code, not
 477 including credits allowed under ss. 902 and 960 of the Internal
 478 Revenue Code, withholding taxes on dividends within the meaning
 479 of sub-subparagraph 2.a., and withholding taxes on royalties,
 480 interest, technical service fees, and capital gains.

481 6. Notwithstanding any other provision of this code,
 482 except with respect to amounts subtracted pursuant to
 483 subparagraphs 1. and 3., any increment of any apportionment
 484 factor which is directly related to an increment of gross
 485 receipts or income which is deducted, subtracted, or otherwise
 486 excluded in determining adjusted federal income shall be
 487 excluded from both the numerator and denominator of such
 488 apportionment factor. Further, all valuations made for
 489 apportionment factor purposes shall be made on a basis
 490 consistent with the taxpayer's method of accounting for federal
 491 income tax purposes.

492 Section 8. Effective January 1, 2012, paragraph (a) of
 493 subsection (1) of section 220.13, Florida Statutes, as amended
 494 by this act, is amended to read:

495 220.13 "Adjusted federal income" defined.—

496 (1) The term "adjusted federal income" means an amount
 497 equal to the taxpayer's taxable income as defined in subsection
 498 (2), or such taxable income of more than one taxpayer as
 499 provided in s. 220.131, for the taxable year, adjusted as
 500 follows:

501 (a) Additions.—There shall be added to such taxable
 502 income:

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

508 2. The amount of interest which is excluded from taxable
 509 income under s. 103(a) of the Internal Revenue Code or any other
 510 federal law, less the associated expenses disallowed in the
 511 computation of taxable income under s. 265 of the Internal
 512 Revenue Code or any other law, excluding 60 percent of any
 513 amounts included in alternative minimum taxable income, as
 514 defined in s. 55(b)(2) of the Internal Revenue Code, if the
 515 taxpayer pays tax under s. 220.11(3).

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

520 4. That portion of the wages or salaries paid or incurred
 521 for the taxable year which is equal to the amount of the credit
 522 allowable for the taxable year under s. 220.181. This
 523 subparagraph shall expire on the date specified in s. 290.016
 524 for the expiration of the Florida Enterprise Zone Act.

525 5. That portion of the ad valorem school taxes paid or
 526 incurred for the taxable year which is equal to the amount of
 527 the credit allowable for the taxable year under s. 220.182. This
 528 subparagraph shall expire on the date specified in s. 290.016
 529 for the expiration of the Florida Enterprise Zone Act.

530 6. The amount taken as a credit under s. 220.195 ~~of~~
 531 ~~emergency excise tax paid or accrued as a liability to this~~
 532 ~~state under chapter 221~~ which ~~tax~~ is deductible from gross
 533 income in the computation of taxable income for the taxable
 534 year.

535 7. That portion of assessments to fund a guaranty
 536 association incurred for the taxable year which is equal to the
 537 amount of the credit allowable for the taxable year.

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

543 9. The amount taken as a credit for the taxable year under
 544 s. 220.1895.

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

548 11. The amount taken as a credit for the taxable year
 549 under s. 220.1875. The addition in this subparagraph is intended
 550 to ensure that the same amount is not allowed for the tax
 551 purposes of this state as both a deduction from income and a
 552 credit against the tax. This addition is not intended to result
 553 in adding the same expense back to income more than once.

554 12. The amount taken as a credit for the taxable year
 555 under s. 220.192.

556 13. The amount taken as a credit for the taxable year
 557 under s. 220.193.

558 14. Any portion of a qualified investment, as defined in
 559 s. 288.9913, which is claimed as a deduction by the taxpayer and
 560 taken as a credit against income tax pursuant to s. 288.9916.

561 15. The costs to acquire a tax credit pursuant to s.
 562 288.1254(5) that are deducted from or otherwise reduce federal
 563 taxable income for the taxable year.

564 16. The amount taken as a credit for the taxable year
 565 pursuant to s. 220.194.

566 17. The amount taken as a credit for the taxable year
 567 under s. 220.196. The addition in this subparagraph is intended
 568 to ensure that the same amount is not allowed for the tax
 569 purposes of this state as both a deduction from income and a
 570 credit against the tax. The addition is not intended to result
 571 in adding the same expense back to income more than once.

572 Section 9. Subsection (5) of section 220.131, Florida
 573 Statutes, is amended to read:

574 220.131 Adjusted federal income; affiliated groups.—

575 (5) Each taxpayer shall apportion adjusted federal income
 576 under s. 220.15 as a member of an affiliated group which files a
 577 consolidated return under this section on the basis of
 578 apportionment factors described in s. 220.15. For the purposes
 579 of this subsection, each special industry member included in an
 580 affiliated group filing a consolidated return ~~hereunder~~, who
 581 ~~which member~~ would otherwise be permitted to use a special
 582 method of apportionment under s. 220.151 or s. 220.153, shall
 583 construct the numerator of its sales, property, and payroll
 584 factors, respectively, by multiplying the denominator of each
 585 such factor by the premiums, ~~or~~ revenue miles, or single sales

586 factor ratio otherwise applicable under ~~pursuant to~~ s. 220.151
 587 or s. 220.153 in the manner prescribed by ~~the~~ department ~~by~~
 588 rule.

589 Section 10. Subsection (1) of section 220.15, Florida
 590 Statutes, is amended to read:

591 220.15 Apportionment of adjusted federal income.—

592 (1) Except as provided in ss. 220.151, ~~and~~ 220.152, and
 593 220.153, adjusted federal income as defined in s. 220.13 shall
 594 be apportioned to this state by taxpayers doing business within
 595 and without this state by multiplying it by an apportionment
 596 fraction composed of a sales factor representing 50 percent of
 597 the fraction, a property factor representing 25 percent of the
 598 fraction, and a payroll factor representing 25 percent of the
 599 fraction. If any factor described in subsection (2), subsection
 600 (4), or subsection (5) has a denominator that is zero or is
 601 determined by the department to be insignificant, the relative
 602 weights of the other factors in the denominator of the
 603 apportionment fraction shall be as follows:

604 (a) If the denominators for any two factors are zero or
 605 are insignificant, the weighted percentage for the remaining
 606 factor shall be 100 percent.

607 (b) If the denominator for the sales factor is zero or is
 608 insignificant, the weighted percentage for the property and
 609 payroll factors shall change from 25 percent to 50 percent,
 610 respectively.

611 (c) If the denominator for either the property or payroll
 612 factor is zero or is insignificant, the weighted percentage for

613 the other shall be 33 1/3 percent, and the weighted percentage
614 for the sales factor shall be 66 2/3 percent.

615 Section 11. Section 220.153, Florida Statutes, is created
616 to read:

617 220.153 Apportionment by sales factor.—

618 (1) DEFINITIONS.—As used in this section, the term:

619 (a) "Office" means the Office of Tourism, Trade, and
620 Economic Development.

621 (b) "Qualified capital expenditures" means expenditures in
622 this state for purposes substantially related to a business's
623 production or sale of goods or services. The expenditure must
624 fund the acquisition of additional real property (land,
625 buildings, including appurtenances, fixtures and fixed
626 equipment, structures, etc.), including additions, replacements,
627 major repairs, and renovations to real property which materially
628 extend its useful life or materially improve or change its
629 functional use and the furniture and equipment necessary to
630 furnish and operate a new or improved facility. The term
631 "qualified capital expenditures" does not include an expenditure
632 for a passive investment or for an investment intended for the
633 accumulation of reserves or the realization of profit for
634 distribution to any person holding an ownership interest in the
635 business. The term "qualified capital expenditures" does not
636 include expenditures to acquire an existing business or
637 expenditures in excess of \$125 million to acquire land or
638 buildings.

639 (2) APPORTIONMENT OF TAXES; ELIGIBILITY.—A taxpayer, not
640 including a financial organization as defined in s. 220.15(6) or

641 a bank, savings association, international banking facility, or
642 banking organization as defined in s. 220.62, doing business
643 within and without this state, who applies and demonstrates to
644 the office that, within a 2-year period beginning on or after
645 July 1, 2011, it has made qualified capital expenditures equal
646 to or exceeding \$250 million may apportion its adjusted federal
647 income solely by the sales factor set forth in s. 220.15(5),
648 commencing in the taxable year that the office approves the
649 application, but not before a taxable year that begins on or
650 after January 1, 2013. Once approved, a taxpayer may elect to
651 apportion its adjusted federal income for any taxable year using
652 the method provided under this section or the method provided
653 under s. 220.15.

654 (3) QUALIFICATION PROCESS.—

655 (a) To qualify as a taxpayer who is eligible to apportion
656 its adjusted federal income under this section:

657 1. The taxpayer must notify the office of its intent to
658 submit an application to apportion its adjusted federal income
659 in order to commence the 2-year period for measuring qualified
660 capital expenditures.

661 2. The taxpayer must submit an application to apportion
662 its adjusted federal income under this section to the office
663 within 2 years after notifying the office of the taxpayer's
664 intent to qualify. The application must be made under oath and
665 provide such information as the office reasonably requires by
666 rule for determining the applicant's eligibility to apportion
667 adjusted federal income under this section. The taxpayer is

668 responsible for affirmatively demonstrating to the satisfaction
669 of the office that it meets the eligibility requirements.

670 (b) The taxpayer notice and application forms shall be
671 established by the office by rule. The office shall acknowledge
672 receipt of the notice and approve or deny the application in
673 writing within 45 days after receipt.

674 (4) REVIEW AUTHORITY; RECAPTURE OF TAX.—

675 (a) In addition to its existing audit authority, the
676 department may perform any financial and technical review and
677 investigation, including examining the accounts, books, and
678 records of the taxpayer as necessary, to verify that the
679 taxpayer's tax return correctly computes and apportions adjusted
680 federal income and to ensure compliance with this chapter.

681 (b) The office may, by order, revoke its decision to grant
682 eligibility for apportionment pursuant to this section, and may
683 also order the recalculation of apportionment factors to those
684 applicable under s. 220.15 if, as the result of an audit,
685 investigation, or examination, it determines that information
686 provided by the taxpayer in the application, or in a statement,
687 representation, record, report, plan, or other document provided
688 to the office to become eligible for apportionment, was
689 materially false at the time it was made and that an individual
690 acting on behalf of the taxpayer knew, or should have known,
691 that the information submitted was false. The taxpayer shall pay
692 such additional taxes and interest as may be due pursuant to
693 this chapter computed as the difference between the tax that
694 would have been due under the apportionment formula provided in
695 s. 220.15 for such years and the tax actually paid. In addition,

696 the department shall assess a penalty equal to 100 percent of
 697 the additional tax due.

698 (c) The office shall immediately notify the department of
 699 an order affecting a taxpayer's eligibility to apportion tax
 700 pursuant to this section. A taxpayer who is liable for past tax
 701 must file an amended return with the department, or such other
 702 report as the department prescribes by rule, and pay any
 703 required tax, interest, and penalty within 60 days after the
 704 taxpayer receives notification from the office that the
 705 previously approved credits have been revoked. If the revocation
 706 is contested, the taxpayer shall file an amended return or other
 707 report within 30 days after an order becomes final. A taxpayer
 708 who fails to pay the past tax, interest, and penalty by the due
 709 date is subject to the penalties provided in s. 220.803.

710 (5) RULES.—The office and the department may adopt rules
 711 to administer this section.

712 Section 12. Paragraph (f) of subsection (2) of section
 713 220.1845, Florida Statutes, is amended to read:

714 220.1845 Contaminated site rehabilitation tax credit.—

715 (2) AUTHORIZATION FOR TAX CREDIT; LIMITATIONS.—

716 (f) The total amount of the tax credits which may be
 717 granted under this section is \$5 ~~\$2~~ million annually.

718 Section 13. Subsections (4), (5), and (11) of section
 719 376.30781, Florida Statutes, are amended to read:

720 376.30781 Tax credits for rehabilitation of drycleaning-
 721 solvent-contaminated sites and brownfield sites in designated
 722 brownfield areas; application process; rulemaking authority;
 723 revocation authority.—

724 (4) The Department of Environmental Protection is
725 responsible for allocating the tax credits provided for in s.
726 220.1845, which may not exceed a total of \$5 ~~\$2~~ million in tax
727 credits annually.

728 (5) To claim the credit for site rehabilitation or solid
729 waste removal, each tax credit applicant must apply to the
730 Department of Environmental Protection for an allocation of the
731 \$5 ~~\$2~~ million annual credit by filing a tax credit application
732 with the Division of Waste Management on a form developed by the
733 Department of Environmental Protection in cooperation with the
734 Department of Revenue. The form shall include an affidavit from
735 each tax credit applicant certifying that all information
736 contained in the application, including all records of costs
737 incurred and claimed in the tax credit application, are true and
738 correct. If the application is submitted pursuant to
739 subparagraph (3)(a)2., the form must include an affidavit signed
740 by the real property owner stating that it is not, and has never
741 been, the owner or operator of the drycleaning facility where
742 the contamination exists. Approval of tax credits must be
743 accomplished on a first-come, first-served basis based upon the
744 date and time complete applications are received by the Division
745 of Waste Management, subject to the limitations of subsection
746 (14). To be eligible for a tax credit, the tax credit applicant
747 must:

748 (a) For site rehabilitation tax credits, have entered into
749 a voluntary cleanup agreement with the Department of
750 Environmental Protection for a drycleaning-solvent-contaminated
751 site or a Brownfield Site Rehabilitation Agreement, as

752 applicable, and have paid all deductibles pursuant to s.
753 376.3078(3)(e) for eligible drycleaning-solvent-cleanup program
754 sites, as applicable. A site rehabilitation tax credit applicant
755 must submit only a single completed application per site for
756 each calendar year's site rehabilitation costs. A site
757 rehabilitation application must be received by the Division of
758 Waste Management of the Department of Environmental Protection
759 by January 31 of the year after the calendar year for which site
760 rehabilitation costs are being claimed in a tax credit
761 application. All site rehabilitation costs claimed must have
762 been for work conducted between January 1 and December 31 of the
763 year for which the application is being submitted. All payment
764 requests must have been received and all costs must have been
765 paid prior to submittal of the tax credit application, but no
766 later than January 31 of the year after the calendar year for
767 which site rehabilitation costs are being claimed.

768 (b) For solid waste removal tax credits, have entered into
769 a brownfield site rehabilitation agreement with the Department
770 of Environmental Protection. A solid waste removal tax credit
771 applicant must submit only a single complete application per
772 brownfield site, as defined in the brownfield site
773 rehabilitation agreement, for solid waste removal costs. A solid
774 waste removal tax credit application must be received by the
775 Division of Waste Management of the Department of Environmental
776 Protection subsequent to the completion of the requirements
777 listed in paragraph (3)(e).

778 (11) If a tax credit applicant does not receive a tax
779 credit allocation due to an exhaustion of the \$5 ~~2~~ million

780 annual tax credit authorization, such application will then be
 781 included in the same first-come, first-served order in the next
 782 year's annual tax credit allocation, if any, based on the prior
 783 year application.

784 Section 14. Subsection (5) is added to section 220.16,
 785 Florida Statutes, to read:

786 220.16 Allocation of nonbusiness income.—Nonbusiness
 787 income shall be allocated as follows:

788 (5) The amount of payments received in exchange for
 789 transferring a net operating loss authorized by s. 220.194 is
 790 allocable to the state.

791 Section 15. Section 220.194, Florida Statutes, is created
 792 to read:

793 220.194 Corporate income tax credits for spaceflight
 794 projects.—

795 (1) SHORT TITLE.—This section may be cited as the "Florida
 796 Space Business Incentives Act."

797 (2) PURPOSE.—The purpose of this section is to create
 798 incentives to attract launch, payload, research and development,
 799 and other space business to this state.

800 (3) DEFINITIONS.—As used in this section, the term:

801 (a) "Administrative support" means that 51 percent or more
 802 of an activity supports a certified spaceflight business.

803 (b) "Certified" means that a spaceflight business has been
 804 certified by the office as meeting all of the requirements
 805 necessary to obtain at least one of the approved tax credits
 806 available under this section, including approval to transfer a
 807 credit.

808 (c) "New employee" means a state resident who begins or
 809 maintains full-time employment in this state with a spaceflight
 810 business on or after October 1, 2011. The term does not include
 811 a person who is a partner, majority stockholder, or owner of the
 812 business or a person who is employed in a temporary construction
 813 job or primarily involved with the construction of real
 814 property.

815 (d) "New job" means the full-time employment of an
 816 employee in a manner that is consistent with terms used by the
 817 Agency for Workforce Innovation and the United States Department
 818 of Labor for purposes of unemployment compensation tax
 819 administration and employment estimation. In order to meet the
 820 requirement for certification specified in paragraph (5) (b), a
 821 new job must:

822 1. Pay new employees at least 115 percent of the statewide
 823 or countywide average annual private-sector wage for the 3
 824 taxable years immediately preceding filing an application for
 825 certification;

826 2. Require a new employee to perform duties on a regular
 827 full-time basis in this state for an average of at least 36
 828 hours per week each month for the 3 taxable years immediately
 829 preceding filing an application for certification; and

830 3. Not be held by a person who has previously been
 831 included as a new employee on an application for any credit
 832 authorized under this section.

833 (e) "Office" means the Office of Tourism, Trade, and
 834 Economic Development.

835 (f) "Payload" means an object built or assembled in this
 836 state to be placed into earth's upper atmospheres or space.

837 (g) "Reentry" means to return or attempt to return an
 838 object from earth's upper atmospheres or space.

839 (h) "Reentry service" means an activity conducted in this
 840 state related to preparing a reentry vehicle and any payload for
 841 reentry and the reentry.

842 (i) "Space vehicle" means any spacecraft, satellite, space
 843 station, upper-stage, launch vehicle, reentry vehicle, and
 844 related ground-support systems and equipment.

845 (j) "Spaceflight business" means a business that:

846 1. Is registered with the Secretary of State to do
 847 business in this state; and

848 2. Is currently engaged in a spaceflight project. A
 849 spaceflight business may participate in more than one
 850 spaceflight project at a time and may conduct work on a
 851 commercial, governmental, or United States defense-related
 852 spaceflight project.

853 (k) "Spaceflight project" means any of the following
 854 activities performed in this state:

855 1. Designing, manufacturing, testing, or assembling a
 856 space vehicle or components thereof;

857 2. Providing a launch service, payload processing service,
 858 or reentry service; or

859 3. Providing the payload for a launch vehicle or reentry
 860 space vehicle;

861 4. Administrative support; or

862 5. Providing the launch vehicle or the reentry vehicle for
 863 space tourists.

864 (1) "Taxpayer" has the same meaning as provided in s.
 865 220.03.

866 (4) TAX CREDITS.—

867 (a) If approved and certified pursuant to subsection (5),
 868 the following tax credits may be taken on a return for a taxable
 869 year beginning on or after October 1, 2015:

870 1. A certified spaceflight business may take a
 871 nontransferable corporate income tax credit for up to 50 percent
 872 of the business's tax liability under this chapter for the
 873 taxable year in which the credit is taken. The maximum
 874 nontransferable tax credit amount that may be approved per
 875 taxpayer for a taxable year is \$1 million. No more than \$3
 876 million in total tax credits pursuant to this subparagraph may
 877 be certified pursuant to subsection (5). No credit may be
 878 approved after October 1, 2017.

879 2. A certified spaceflight business may transfer, in whole
 880 or in part, its Florida net operating loss that would otherwise
 881 be available to be taken on a return filed under this chapter,
 882 provided that the activity giving rise to such net operating
 883 loss must have occurred after July 1, 2011. The transfer allowed
 884 under this subparagraph will be in the form of a transferable
 885 tax credit equal to the amount of the net operating loss
 886 eligible to be transferred. The maximum transferable tax credit
 887 amount that may be approved per taxpayer for a taxable year is
 888 \$2.5 million. No more than \$7 million in total tax credits

889 pursuant to this subparagraph may be certified pursuant to
 890 subsection (5). No credit may be approved after October 1, 2017.

891 a. In order to transfer the credit, the business must:

892 (I) Have been approved to transfer the tax credit for the
 893 taxable year in which it is transferred;

894 (II) Have incurred a qualifying net operating loss on
 895 activity in this state after July 1, 2011, directly associated
 896 with one or more spaceflight projects in any of its 3 previous
 897 taxable years;

898 (III) Not be 50 percent or more owned or controlled,
 899 directly or indirectly, by another corporation that has
 900 demonstrated positive net income in any of the 3 previous
 901 taxable years of ongoing operations; and

902 (IV) Not be part of a consolidated group of affiliated
 903 corporations, as filed for federal income tax purposes, which in
 904 the aggregate demonstrated positive net income in any of the 3
 905 previous taxable years.

906 b. The credit that may be transferred by a certified
 907 spaceflight business:

908 (I) Is limited to the amount of eligible net operating
 909 losses incurred in the immediate 3 taxable years before the
 910 transfer; and

911 (II) Must be directly associated with a spaceflight
 912 project in this state as verified through an audit or
 913 examination by a certified public accountant licensed to do
 914 business in this state and as verified by the office.

915 (b) Each certified spaceflight business may only be
 916 approved for a credit under subparagraph (a)1. once and may only

917 be approved to transfer a tax credit under subparagraph (a)2.
 918 once, and a certified spaceflight business may not be approved
 919 for both in a single state fiscal year.

920 (c) Credits approved under subparagraph (a)1. may be taken
 921 only against the corporate income tax liability generated by or
 922 arising out of a spaceflight project in this state, as verified
 923 through an audit or examination by a certified public accountant
 924 licensed to do business in this state and as verified by the
 925 office.

926 (d) A certified spaceflight business may not file a
 927 consolidated return in order to claim the tax incentives
 928 described in this subsection.

929 (e) The certified spaceflight business or transferee must
 930 demonstrate to the satisfaction of the office and the department
 931 that it is eligible to take the credits approved under this
 932 section.

933 (5) APPLICATION AND CERTIFICATION.—

934 (a) In order to claim a tax credit under this section, a
 935 spaceflight business must first submit an application to the
 936 office for approval to earn tax credits or create transferable
 937 tax credits. The application must be filed by the date
 938 established by the office. In addition to any information that
 939 the office may require, the applicant must provide a complete
 940 description of the activity in this state which demonstrates to
 941 the office the applicant's likelihood to be certified to take or
 942 transfer a credit. The applicant must also provide a description
 943 of the total amount and type of credits for which approval is
 944 sought. The office may consult with Space Florida regarding the

945 qualifications of an applicant. The applicant shall provide an
 946 affidavit certifying that all information contained in the
 947 application is true and correct.

948 1. Approval of the credits shall be provided on a first-
 949 come, first-served basis, based on the date the completed
 950 applications are received by the office. A taxpayer may not
 951 submit more than one completed application per state fiscal
 952 year. The office may not accept an incomplete placeholder
 953 application, and the submission of such an application will not
 954 secure a place in the first-come, first-served application line.

955 2. The office has 60 days after the receipt of a completed
 956 application within which to issue a notice of intent to deny or
 957 approve an application for credits. The office must ensure that
 958 the corporate income tax credits approved for all applicants
 959 does not exceed the limits provided in this section.

960 (b) In order to take a tax credit under subparagraph (a)1.
 961 or, if applicable, to transfer an approved credit under
 962 subparagraph (a)2., a spaceflight business must submit an
 963 application for certification to the office along with a
 964 nonrefundable \$250 fee.

965 1. The application must include:

966 a. The name and physical in-state address of the taxpayer.

967 b. Documentation demonstrating to the satisfaction of the
 968 office that:

969 (I) The taxpayer is a spaceflight business.

970 (II) The business has engaged in a qualifying spaceflight
 971 project before taking or transferring a credit under this
 972 section.

973 c. In addition to any requirement specific to a credit,
974 documentation that the business has:

975 (I) Created 35 new jobs in this state directly associated
976 with spaceflight projects during its immediately preceding 3
977 taxable years. The business shall be deemed to have created new
978 jobs if the number of full-time jobs located in this state at
979 the time of application for certification is greater than the
980 total number of full-time jobs located in this state at the time
981 of application for approval to earn credits; and

982 (II) Invested a total of at least \$15 million in this
983 state on a spaceflight project during its immediately preceding
984 3 taxable years.

985 d. The total amount and types of credits sought.

986 e. An acknowledgment that a transfer of a tax credit is to
987 be accomplished pursuant to subsection (5).

988 f. A copy of an audit or audits of the preceding 3 taxable
989 years, prepared by a certified public accountant licensed to
990 practice in this state, which identifies that portion of the
991 business's activities in this state related to spaceflight
992 projects in this state.

993 g. An acknowledgement that the business must file an
994 annual report on the spaceflight project's progress with the
995 office.

996 h. Any other information necessary to demonstrate that the
997 applicant meets the job creation, investment, and other
998 requirements of this section.

999 2. Within 60 days after receipt of the application for
1000 certification, the office shall evaluate the application and

1001 recommend the business for certification or denial. The
 1002 executive director of the office must approve or deny the
 1003 application within 30 days after receiving the recommendation.
 1004 If approved, the office must provide a letter of certification
 1005 to the applicant consistent with any restrictions imposed. If
 1006 the office denies any part of the requested credit, the office
 1007 must inform the applicant of the grounds for the denial. A copy
 1008 of the certification shall be submitted to the department within
 1009 10 days after the executive director's approval.

1010 (6) TRANSFERABILITY OF CREDIT.—

1011 (a) A certified spaceflight business allowed to transfer
 1012 an approved credit, in whole or in part, to a taxpayer by
 1013 written agreement may do so without transferring any ownership
 1014 interest in the property generating the credit or any interest
 1015 in the entity owning such property.

1016 (b) In order to perfect the transfer, the transferor shall
 1017 provide the department with a written transfer statement that
 1018 has been approved by the office notifying the department of the
 1019 transferor's intent to transfer the tax credits to the
 1020 transferee; the date that the transfer is effective; the
 1021 transferee's name, address, and federal taxpayer identification
 1022 number; the tax period; and the amount of tax credits to be
 1023 transferred. Upon receipt of the approved transfer statement,
 1024 the department shall provide the transferee and the office with
 1025 a certificate reflecting the tax credit amounts transferred. A
 1026 copy of the certificate must be attached to each tax return for
 1027 which the transferee seeks to apply the credits.

1028 (7) AUDIT AUTHORITY; RECAPTURE OF CREDITS.—

1029 (a) In addition to its existing audit and investigative
 1030 authority, the department may perform any additional financial
 1031 and technical audits and investigations, including examining the
 1032 accounts, books, and financial records of the tax credit
 1033 applicant, which are necessary for verifying the accuracy of the
 1034 return and to ensure compliance with this section. If requested
 1035 by the department, the office and Space Florida must provide
 1036 technical assistance for any technical audits or examinations
 1037 performed under this subsection.

1038 (b) Grounds for forfeiture of previously claimed tax
 1039 credits approved under this section exist if the department
 1040 determines, as a result of an audit or examination, or from
 1041 information received from the office, that a certified
 1042 spaceflight business, or in the case of transferred tax credits,
 1043 a taxpayer received tax credits for which the certified
 1044 spaceflight business or taxpayer was not entitled. The
 1045 spaceflight business or transferee must file an amended return
 1046 reflecting the disallowed credits and paying any tax due as a
 1047 result of the amendment.

1048 (c) If an amendment to, recomputation of, or
 1049 redetermination of a certified spaceflight business's Florida
 1050 corporate income tax return changes an item entered into the
 1051 computation of a claimed credit, the taxpayer must notify the
 1052 department by filing an amended return. The amount of any credit
 1053 award not supported by the amended return shall be deemed a
 1054 deficiency that must be remitted with the amended return and is
 1055 subject to s. 220.23. The spaceflight business is also liable
 1056 for a penalty equal to the credit claimed or transferred,

1057 reduced in proportion to the amount of the net operating loss
 1058 certified for transfer which is disallowed over the amount of
 1059 the net operating loss certified for the credit. The certified
 1060 business and its successors must maintain all records necessary
 1061 to support the reported net operating loss.

1062 (d) The office may revoke or modify a certification
 1063 granting eligibility for tax credits if it finds that the
 1064 certified spaceflight business made a false statement or
 1065 representation in any application, record, report, plan, or
 1066 other document filed in an attempt to receive tax credits under
 1067 this section. The office shall immediately notify the department
 1068 of any revoked or modified orders affecting previously granted
 1069 tax credits. The certified spaceflight business must also notify
 1070 the department of any change in its claimed tax credit.

1071 (e) The certified spaceflight business must file with the
 1072 department an amended return or other report required by the
 1073 department by rule and pay any required tax and interest within
 1074 60 days after the certified business receives notification from
 1075 the office that previously approved tax credits have been
 1076 revoked or modified. If the revocation or modification order is
 1077 contested, the spaceflight business must file the amended return
 1078 or other report within 60 days after a final order is issued.

1079 (f) The department may assess an additional tax, penalty,
 1080 or interest pursuant to s. 95.091.

1081 (8) RULES.—

1082 (a) The office, in consultation with Space Florida, shall
 1083 adopt rules to administer this section, including rules relating
 1084 to application forms for credit approval and certification, and

1085 the application and certification procedures, guidelines, and
 1086 requirements necessary to administer this section.

1087 (b) The department may adopt rules to administer this
 1088 section, including rules relating to:

1089 1. The forms required to claim a tax credit under this
 1090 section, the requirements and basis for establishing an
 1091 entitlement to a credit, and the examination and audit
 1092 procedures required to administer this section.

1093 2. The implementation and administration of provisions
 1094 allowing the transfer of a net operating loss as a tax credit,
 1095 including rules that prescribe forms, reporting requirements,
 1096 and specific procedures, guidelines, and requirements necessary
 1097 to perform the transfer.

1098 3. The minimum portion of the credit which is available
 1099 for transfer.

1100 (9) ANNUAL REPORT.—Beginning in 2014, the office, in
 1101 cooperation with Space Florida and the department, shall submit
 1102 an annual report summarizing activities relating to the Florida
 1103 Space Business Incentives Act established under this section to
 1104 the Governor, the President of the Senate, and the Speaker of
 1105 the House of Representatives by each November 30.

1106 (10) NONAPPLICABILITY.—This section does not apply to
 1107 returns filed for any tax period before October 1, 2015.

1108 Section 16. Effective January 1, 2012, section 220.195,
 1109 Florida Statutes, is created to read:

1110 220.195 Emergency excise tax credit.—

1111 (1) Beginning with taxable years ending in 2012, a
 1112 taxpayer who has earned, but not yet taken, a credit for

1113 emergency excise tax paid under former s. 221.02 may take such
 1114 credit against the tax imposed by this chapter.

1115 (2) If a credit granted pursuant to this section is not
 1116 fully used in taxable years ending in 2012 because of
 1117 insufficient tax liability on the part of the taxpayer, the
 1118 unused amount may be carried forward for a period not to exceed
 1119 5 years. The carryover credit may be used in a subsequent year
 1120 when the tax imposed by this chapter for such year exceeds the
 1121 credit for such year, after applying the other credits and
 1122 unused credit carryovers in the order provided in s. 220.02(8).

1123 Section 17. Effective July 1, 2011, and applicable to
 1124 taxable years beginning on or after January 1, 2012, section
 1125 220.196, Florida Statutes, is created to read:

1126 220.196 Research and development tax credit.—

1127 (1) DEFINITIONS.—As used in this section, the term:

1128 (a) "Base amount" means the average of the business
 1129 enterprise's qualified research expenses in this state allowed
 1130 under 26 U.S.C. s. 41 for the 4 taxable years preceding the
 1131 taxable year for which the credit is determined. The qualified
 1132 research expenses taken into account in computing the base
 1133 amount shall be determined on a basis consistent with the
 1134 determination of qualified research expenses for the taxable
 1135 year.

1136 (b) "Business enterprise" means any corporation as defined
 1137 in s. 220.03 which meets the definition of a target industry
 1138 business as defined in s. 288.106.

1139 (c) "Qualified research expenses" mean research expenses
 1140 qualifying for the credit under 26 U.S.C. s. 41 for in-house

1141 research expenses incurred in this state or contract research
 1142 expenses incurred in this state. The term does not include
 1143 research conducted outside this state or research expenses that
 1144 do not qualify for a credit under 26 U.S.C. s. 41.

1145 (2) TAX CREDIT.—Subject to the limitations contained in
 1146 paragraph (e), a business enterprise is eligible for a credit
 1147 against the tax imposed by this chapter if the business
 1148 enterprise has qualified research expenses in this state in the
 1149 taxable year exceeding the base amount and, for the same taxable
 1150 year, claims and is allowed a research credit for such qualified
 1151 research expenses under 26 U.S.C. s. 41.

1152 (a) The tax credit shall be 10 percent of the excess
 1153 qualified research expenses over the base amount. However, the
 1154 maximum tax credit for a business enterprise that has not been
 1155 in existence for at least 4 taxable years immediately preceding
 1156 the taxable year is reduced by 25 percent for each taxable year
 1157 for which the business enterprise, or a predecessor corporation
 1158 that was a business enterprise, did not exist.

1159 (b) The credit taken in any taxable year may not exceed 50
 1160 percent of the business enterprise's remaining net income tax
 1161 liability under this chapter after all other credits have been
 1162 applied under s. 220.02(8).

1163 (c) Any unused credit authorized under this section may be
 1164 carried forward and claimed by the taxpayer for up to 5 years.

1165 (d) The combined total amount of tax credits which may be
 1166 granted to all business enterprises under this section during
 1167 any calendar year is \$9 million. Applications may be filed with
 1168 the department on or after March 20 for qualified research

1169 expenses incurred within the preceding calendar year, and
 1170 credits shall be granted in the order in which completed
 1171 applications are received.

1172 (3) RECALCULATION OF CREDIT AMOUNT.—If the amount of
 1173 qualified research expenses is reduced as a result of a federal
 1174 audit or examination, the credit granted pursuant to this
 1175 section must be recalculated. The taxpayer must file amended
 1176 returns for all affected years pursuant to s. 220.23(2), and the
 1177 taxpayer must pay to the department the difference between the
 1178 initial credit amount taken and the recalculated credit amount
 1179 with interest.

1180 (4) RULES.—The department may adopt rules to administer
 1181 this section, including, but not limited to, rules prescribing
 1182 forms and application procedures and dates, and may establish
 1183 guidelines for making an affirmative showing of qualification
 1184 for a credit and any evidence needed to substantiate a claim for
 1185 credit under this section.

1186 Section 18. Effective January 1, 2012, subsection (4) of
 1187 section 220.801, Florida Statutes, is amended to read:

1188 220.801 Penalties; failure to timely file returns.—

1189 (4) The provisions of this section shall specifically
 1190 apply to the notice of federal change required under s. 220.23,
 1191 ~~and to any tax returns required under chapter 221, relating to~~
 1192 ~~the emergency excise tax.~~

1193 Section 19. Effective January 1, 2012, section 213.05,
 1194 Florida Statutes, is amended to read:

1195 213.05 Department of Revenue; control and administration
 1196 of revenue laws.—The Department of Revenue shall have only those

1197 | responsibilities for ad valorem taxation specified to the
 1198 | department in chapter 192, taxation, general provisions; chapter
 1199 | 193, assessments; chapter 194, administrative and judicial
 1200 | review of property taxes; chapter 195, property assessment
 1201 | administration and finance; chapter 196, exemption; chapter 197,
 1202 | tax collections, sales, and liens; chapter 199, intangible
 1203 | personal property taxes; and chapter 200, determination of
 1204 | millage. The Department of Revenue shall have the responsibility
 1205 | of regulating, controlling, and administering all revenue laws
 1206 | and performing all duties as provided in s. 125.0104, the Local
 1207 | Option Tourist Development Act; s. 125.0108, tourist impact tax;
 1208 | chapter 198, estate taxes; chapter 201, excise tax on documents;
 1209 | chapter 202, communications services tax; chapter 203, gross
 1210 | receipts taxes; chapter 206, motor and other fuel taxes; chapter
 1211 | 211, tax on production of oil and gas and severance of solid
 1212 | minerals; chapter 212, tax on sales, use, and other
 1213 | transactions; chapter 220, income tax code; ~~chapter 221,~~
 1214 | ~~emergency excise tax;~~ ss. 336.021 and 336.025, taxes on motor
 1215 | fuel and special fuel; s. 376.11, pollutant spill prevention and
 1216 | control; s. 403.718, waste tire fees; s. 403.7185, lead-acid
 1217 | battery fees; s. 538.09, registration of secondhand dealers; s.
 1218 | 538.25, registration of secondary metals recyclers; s. 624.4621,
 1219 | group self-insurer's fund premium tax; s. 624.5091, retaliatory
 1220 | tax; s. 624.475, commercial self-insurance fund premium tax; ss.
 1221 | 624.509-624.511, insurance code: administration and general
 1222 | provisions; s. 624.515, State Fire Marshal regulatory
 1223 | assessment; s. 627.357, medical malpractice self-insurance

1224 premium tax; s. 629.5011, reciprocal insurers premium tax; and
 1225 s. 681.117, motor vehicle warranty enforcement.

1226 Section 20. Paragraph (dd) is added to subsection (8) of
 1227 section 213.053, Florida Statutes, as amended by chapter 2010-
 1228 280, Laws of Florida, and effective January 1, 2012, subsection
 1229 (1) and paragraph (k) of subsection (8) of that section are
 1230 amended, to read:

1231 213.053 Confidentiality and information sharing.—

1232 (1) This section applies to:

1233 (a) Section 125.0104, county government;

1234 (b) Section 125.0108, tourist impact tax;

1235 (c) Chapter 175, municipal firefighters' pension trust
 1236 funds;

1237 (d) Chapter 185, municipal police officers' retirement
 1238 trust funds;

1239 (e) Chapter 198, estate taxes;

1240 (f) Chapter 199, intangible personal property taxes;

1241 (g) Chapter 201, excise tax on documents;

1242 (h) Chapter 202, the Communications Services Tax
 1243 Simplification Law;

1244 (i) Chapter 203, gross receipts taxes;

1245 (j) Chapter 211, tax on severance and production of
 1246 minerals;

1247 (k) Chapter 212, tax on sales, use, and other
 1248 transactions;

1249 (l) Chapter 220, income tax code;

1250 ~~(m) Chapter 221, emergency excise tax;~~

1251 (m) ~~(n)~~ Section 252.372, emergency management,
 1252 preparedness, and assistance surcharge;
 1253 (n) ~~(o)~~ Section 379.362(3), Apalachicola Bay oyster
 1254 surcharge;
 1255 (o) ~~(p)~~ Chapter 376, pollutant spill prevention and
 1256 control;
 1257 (p) ~~(q)~~ Section 403.718, waste tire fees;
 1258 (q) ~~(r)~~ Section 403.7185, lead-acid battery fees;
 1259 (r) ~~(s)~~ Section 538.09, registration of secondhand dealers;
 1260 (s) ~~(t)~~ Section 538.25, registration of secondary metals
 1261 recyclers;
 1262 (t) ~~(u)~~ Sections 624.501 and 624.509-624.515, insurance
 1263 code;
 1264 (u) ~~(v)~~ Section 681.117, motor vehicle warranty
 1265 enforcement; and
 1266 (v) ~~(w)~~ Section 896.102, reports of financial transactions
 1267 in trade or business.
 1268 (8) Notwithstanding any other provision of this section,
 1269 the department may provide:
 1270 (k)1. Payment information relative to chapters 199, 201,
 1271 202, 212, 220, ~~221~~, and 624 and former chapter 221 to the Office
 1272 of Tourism, Trade, and Economic Development, or its employees or
 1273 agents that are identified in writing by the office to the
 1274 department, in the administration of the tax refund program for
 1275 qualified defense contractors and space flight business
 1276 contractors authorized by s. 288.1045 and the tax refund program
 1277 for qualified target industry businesses authorized by s.
 1278 288.106.

1279 2. Information relative to tax credits taken by a business
 1280 under s. 220.191 and exemptions or tax refunds received by a
 1281 business under s. 212.08(5)(j) to the Office of Tourism, Trade,
 1282 and Economic Development, or its employees or agents that are
 1283 identified in writing by the office to the department, in the
 1284 administration and evaluation of the capital investment tax
 1285 credit program authorized in s. 220.191 and the semiconductor,
 1286 defense, and space tax exemption program authorized in s.
 1287 212.08(5)(j).

1288 3. Information relative to tax credits taken by a taxpayer
 1289 pursuant to the tax credit programs created in ss. 193.017;
 1290 212.08(5)(g), (h), (n), (o) and (p); 212.08(15); 212.096; 212.097;
 1291 212.098; 220.181; 220.182; 220.183; 220.184; 220.1845; 220.185;
 1292 220.1895; 220.19; 220.191; 220.192; 220.193; 288.0656; 288.99;
 1293 290.007; 376.30781; 420.5093; 420.5099; 550.0951; 550.26352;
 1294 550.2704; 601.155; 624.509; 624.510; 624.5105; and 624.5107 to
 1295 the Office of Tourism, Trade, and Economic Development, or its
 1296 employees or agents that are identified in writing by the office
 1297 to the department, for use in the administration or evaluation
 1298 of such programs.

1299 4. Information relative to single sales factor
 1300 apportionment used by a taxpayer to the Office of Tourism,
 1301 Trade, and Economic Development or its employees or agents who
 1302 are identified in writing by the office to the department for
 1303 use by the office to administer s. 220.153.

1304 (dd) Information relating to tax credits taken under s.
 1305 220.194 to the Office of Tourism, Trade, and Economic
 1306 Development or to Space Florida.

1307
 1308 Disclosure of information under this subsection shall be
 1309 pursuant to a written agreement between the executive director
 1310 and the agency. Such agencies, governmental or nongovernmental,
 1311 shall be bound by the same requirements of confidentiality as
 1312 the Department of Revenue. Breach of confidentiality is a
 1313 misdemeanor of the first degree, punishable as provided by s.
 1314 775.082 or s. 775.083.

1315 Section 21. Effective January 1, 2012, subsection (12) of
 1316 section 213.255, Florida Statutes, is amended to read:

1317 213.255 Interest.—Interest shall be paid on overpayments
 1318 of taxes, payment of taxes not due, or taxes paid in error,
 1319 subject to the following conditions:

1320 (12) The rate of interest shall be the adjusted rate
 1321 established pursuant to s. 213.235, except that the annual rate
 1322 of interest shall never be greater than 11 percent. This annual
 1323 rate of interest shall be applied to all refunds of taxes
 1324 administered by the department except for corporate income taxes
 1325 ~~and emergency excise taxes~~ governed by ss. 220.721 and 220.723.

1326 Section 22. Effective January 1, 2012, chapter 221,
 1327 Florida Statutes, consisting of sections 221.01, 221.02, 221.04,
 1328 and 221.05, is repealed.

1329 Section 23. Effective January 1, 2012, paragraph (a) of
 1330 subsection (6) of section 288.075, Florida Statutes, is amended
 1331 to read:

1332 288.075 Confidentiality of records.—

1333 (6) ECONOMIC INCENTIVE PROGRAMS.—

1334 (a) The following information held by an economic
 1335 development agency pursuant to the administration of an economic
 1336 incentive program for qualified businesses is confidential and
 1337 exempt from s. 119.07(1) and s. 24(a), Art. I of the State
 1338 Constitution for a period not to exceed the duration of the
 1339 incentive agreement, including an agreement authorizing a tax
 1340 refund or tax credit, or upon termination of the incentive
 1341 agreement:

1342 1. The percentage of the business's sales occurring
 1343 outside this state and, for businesses applying under s.
 1344 288.1045, the percentage of the business's gross receipts
 1345 derived from Department of Defense contracts during the 5 years
 1346 immediately preceding the date the business's application is
 1347 submitted.

1348 2. The anticipated wages for the project jobs that the
 1349 business plans to create, as reported on the application for
 1350 certification.

1351 3. The average wage actually paid by the business for
 1352 those jobs created by the project or an employee's personal
 1353 identifying information which is held as evidence of the
 1354 achievement or nonachievement of the wage requirements of the
 1355 tax refund, tax credit, or incentive agreement programs or of
 1356 the job creation requirements of such programs.

1357 4. The amount of:

1358 a. Taxes on sales, use, and other transactions paid
 1359 pursuant to chapter 212;

1360 b. Corporate income taxes paid pursuant to chapter 220;

1361 c. Intangible personal property taxes paid pursuant to
 1362 chapter 199;
 1363 ~~d. Emergency excise taxes paid pursuant to chapter 221;~~
 1364 d.e. Insurance premium taxes paid pursuant to chapter 624;
 1365 e.f. Excise taxes paid on documents pursuant to chapter
 1366 201;
 1367 f.g. Ad valorem taxes paid, as defined in s. 220.03(1); or
 1368 g.h. State communications services taxes paid pursuant to
 1369 chapter 202.

1370 Section 24. Paragraph (c) of subsection (2) of section
 1371 288.1045, Florida Statutes, and effective January 1, 2012,
 1372 paragraph (f) of that subsection, are amended to read:

1373 288.1045 Qualified defense contractor and space flight
 1374 business tax refund program.—

1375 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.—

1376 (c) A qualified applicant may not receive more than \$7 ~~\$5~~
 1377 million in tax refunds pursuant to this section in all fiscal
 1378 years.

1379 (f) After entering into a tax refund agreement pursuant to
 1380 subsection (4), a qualified applicant may:

1381 1. Receive refunds from the account for corporate income
 1382 taxes due and paid pursuant to chapter 220 by that business
 1383 beginning with the first taxable year of the business which
 1384 begins after entering into the agreement.

1385 2. Receive refunds from the account for the following
 1386 taxes due and paid by that business after entering into the
 1387 agreement:

1388 a. Taxes on sales, use, and other transactions paid
 1389 pursuant to chapter 212.

1390 b. Intangible personal property taxes paid pursuant to
 1391 chapter 199.

1392 ~~e. Emergency excise taxes paid pursuant to chapter 221.~~

1393 c.d. Excise taxes paid on documents pursuant to chapter
 1394 201.

1395 d.e. Ad valorem taxes paid, as defined in s. 220.03(1)(a)
 1396 on June 1, 1996.

1397 e.f. State communications services taxes administered
 1398 under chapter 202. This provision does not apply to the gross
 1399 receipts tax imposed under chapter 203 and administered under
 1400 chapter 202 or the local communications services tax authorized
 1401 under s. 202.19.

1402

1403 However, a qualified applicant may not receive a tax refund
 1404 pursuant to this section for any amount of credit, refund, or
 1405 exemption granted such contractor for any of such taxes. If a
 1406 refund for such taxes is provided by the office, which taxes are
 1407 subsequently adjusted by the application of any credit, refund,
 1408 or exemption granted to the qualified applicant other than that
 1409 provided in this section, the qualified applicant shall
 1410 reimburse the Economic Development Trust Fund for the amount of
 1411 such credit, refund, or exemption. A qualified applicant must
 1412 notify and tender payment to the office within 20 days after
 1413 receiving a credit, refund, or exemption, other than that
 1414 provided in this section. The addition of communications
 1415 services taxes administered under chapter 202 is remedial in

1416 nature and retroactive to October 1, 2001. The office may make
 1417 supplemental tax refund payments to allow for tax refunds for
 1418 communications services taxes paid by an eligible qualified
 1419 defense contractor after October 1, 2001.

1420 Section 25. Paragraph (c) of subsection (3) of section
 1421 288.106, Florida Statutes, and effective January 1, 2012,
 1422 paragraph (d) of that subsection, are amended to read:

1423 288.106 Tax refund program for qualified target industry
 1424 businesses.—

1425 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

1426 (c) A qualified target industry business may not receive
 1427 refund payments of more than 25 percent of the total tax refunds
 1428 specified in the tax refund agreement under subparagraph
 1429 (5) (a)1. in any fiscal year. Further, a qualified target
 1430 industry business may not receive more than \$1.5 million in
 1431 refunds under this section in any single fiscal year, or more
 1432 than \$2.5 million in any single fiscal year if the project is
 1433 located in an enterprise zone. A qualified target industry
 1434 business may not receive more than \$7 ~~\$5~~ million in refund
 1435 payments under this section in all fiscal years, or more than
 1436 \$7.5 million if the project is located in an enterprise zone.

1437 (d) After entering into a tax refund agreement under
 1438 subsection (5), a qualified target industry business may:

1439 1. Receive refunds from the account for the following
 1440 taxes due and paid by that business beginning with the first
 1441 taxable year of the business that begins after entering into the
 1442 agreement:

1443 a. Corporate income taxes under chapter 220.

- 1444 b. Insurance premium tax under s. 624.509.
- 1445 2. Receive refunds from the account for the following
- 1446 taxes due and paid by that business after entering into the
- 1447 agreement:
- 1448 a. Taxes on sales, use, and other transactions under
- 1449 chapter 212.
- 1450 b. Intangible personal property taxes under chapter 199.
- 1451 ~~e. Emergency excise taxes under chapter 221.~~
- 1452 c.d. Excise taxes on documents under chapter 201.
- 1453 d.e. Ad valorem taxes paid, as defined in s. 220.03(1).
- 1454 e.f. State communications services taxes administered
- 1455 under chapter 202. This provision does not apply to the gross
- 1456 receipts tax imposed under chapter 203 and administered under
- 1457 chapter 202 or the local communications services tax authorized
- 1458 under s. 202.19.

1459 Section 26. Paragraphs (b), (h), and (i) of subsection
 1460 (1), paragraphs (c) and (e) of subsection (3), paragraph (b) of
 1461 subsection (4), paragraph (c) of subsection (5), paragraph (a)
 1462 of subsection (7), and subsection (10) of section 288.1254,
 1463 Florida Statutes, are amended, and paragraphs (k), (l), (m),
 1464 (n), and (o) are added to subsection (1) of that section, to
 1465 read:

1466 288.1254 Entertainment industry financial incentive
 1467 program.—

- 1468 (1) DEFINITIONS.—As used in this section, the term:
- 1469 (b) "Digital media project" means a production of
- 1470 interactive entertainment that is produced for distribution in
- 1471 commercial or educational markets. The term includes a video

1472 game or production intended for Internet or wireless
 1473 distribution. The term does not include a production that
 1474 contains ~~deemed by the Office of Film and Entertainment to~~
 1475 ~~contain~~ obscene content as defined in s. 847.001(10).

1476 (f) "Production" means a theatrical or direct-to-video
 1477 motion picture; a made-for-television motion picture; visual
 1478 effects or digital animation sequences produced in conjunction
 1479 with a motion picture; a commercial; a music video; an
 1480 industrial or educational film; an infomercial; a documentary
 1481 film; a television pilot program; a presentation for a
 1482 television pilot program; a television series, including, but
 1483 not limited to, a drama, a reality show, a comedy, a soap opera,
 1484 a telenovela, a game show, an awards show, or a miniseries
 1485 production; or a digital media project by the entertainment
 1486 industry. One season of a television series is considered one
 1487 production. The term does not include a weather or market
 1488 program; a sporting event; a sports show; a gala; a production
 1489 that solicits funds; a home shopping program; a political
 1490 program; a political documentary; political advertising; a
 1491 gambling-related project or production; a concert production; or
 1492 a local, regional, or Internet-distributed-only news show,
 1493 current-events show, pornographic production, or current-affairs
 1494 show. A production may be produced on or by film, tape, or
 1495 otherwise by means of a motion picture camera; electronic camera
 1496 or device; tape device; computer; any combination of the
 1497 foregoing; or any other means, method, or device.

1498 (h) "Qualified expenditures" means production expenditures
 1499 incurred in this state by a qualified production for:

1500 1. Goods purchased or leased from, or services, including,
 1501 but not limited to, insurance costs and bonding, payroll
 1502 services, and legal fees, which are provided by, a vendor or
 1503 supplier in this state that is registered with the Department of
 1504 State or the Department of Revenue, has a physical location in
 1505 this state, and employs one or more legal residents of this
 1506 state. This does not include re-billed goods or services
 1507 provided by an in-state company from out-of-state vendors or
 1508 suppliers. When services are provided by the vendor or supplier
 1509 include personal services or labor, only personal services or
 1510 labor provided by residents of this state, evidenced by the
 1511 required documentation of residency in this state, qualify.

1512 2. Payments to legal residents of this state in the form
 1513 of salary, wages, or other compensation up to a maximum of
 1514 \$400,000 per resident unless otherwise specified in subsection
 1515 (4). A completed declaration of residency in this state must
 1516 accompany the documentation submitted to the office for
 1517 reimbursement.

1518
 1519 For a qualified production involving an event, such as an awards
 1520 show, the term does not include expenditures solely associated
 1521 with the event itself and not directly required by the
 1522 production. The term does not include expenditures incurred
 1523 before certification, with the exception of those incurred for a
 1524 commercial, a music video, or the pickup of additional episodes
 1525 of a high-impact television series within a single season. Under
 1526 no circumstances may the qualified production include in the
 1527 calculation for qualified expenditures the original purchase

1528 price for equipment or other tangible property that is later
1529 sold or transferred by the qualified production for
1530 consideration. In such cases, the qualified expenditure is the
1531 net of the original purchase price minus the consideration
1532 received upon sale or transfer.

1533 (i) "Qualified production" means a production in this
1534 state meeting the requirements of this section. The term does
1535 not include a production:

1536 1. In which, for the first 2 years of the incentive
1537 program, less than 50 percent, and thereafter, less than 60
1538 percent, of the positions that make up its production cast and
1539 below-the-line production crew, or, in the case of digital media
1540 projects, less than 75 percent of such positions, are filled by
1541 legal residents of this state, whose residency is demonstrated
1542 by a valid Florida driver's license or other state-issued
1543 identification confirming residency, or students enrolled full-
1544 time in a film-and-entertainment-related course of study at an
1545 institution of higher education in this state; or

1546 2. That contains ~~is deemed by the Office of Film and~~
1547 ~~Entertainment to contain~~ obscene content as defined in s.
1548 847.001(10).

1549 (k) "Qualified digital media production facility" means a
1550 building or series of buildings and their improvements in which
1551 data processing, visualization, and sound synchronization
1552 technologies are regularly applied for the production of
1553 qualified digital media projects or the digital animation
1554 components of qualified productions.

1555 (l) "Qualified production facility" means a building or
1556 complex of buildings and their improvements and associated
1557 backlot facilities in which regular filming activity for film or
1558 television has occurred for a period of no less than one year
1559 and which contain at least one sound stage of at least 7,800
1560 square feet.

1561 (m) "Regional population ratio" means the ratio of the
1562 population of a region to the population of this state. The
1563 regional population ratio applicable to a given fiscal year is
1564 the regional population ratio calculated by the Office of Film
1565 and Entertainment using the latest official estimates of
1566 population certified under s. 186.901, available on the first
1567 day of that fiscal year.

1568 (n) "Regional tax credit ratio" means a ratio the
1569 numerator of which is the sum of tax credits awarded to
1570 productions in a region to date plus the tax credits certified,
1571 but not yet awarded, to productions currently in that region and
1572 the denominator of which is the sum of all tax credits awarded
1573 in the state to date plus all tax credits certified, but not yet
1574 awarded, to productions currently in the state. The regional tax
1575 credit ratio applicable to a given year is the regional tax
1576 credit ratio calculated by the Office of Film and Entertainment
1577 using credit award and certification information available on
1578 the first day of that fiscal year.

1579 (o) "Underutilized region" for a given state fiscal year
1580 means a region with a regional tax credit ratio applicable to
1581 that fiscal year that is lower than its regional population

1582 ratio applicable to that fiscal year. The following regions are
 1583 established for purposes of making this determination:

1584 1. North Region, consisting of Alachua, Baker, Bay,
 1585 Bradford, Calhoun, Clay, Columbia, Dixie, Duval, Escambia,
 1586 Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Holmes, Jackson,
 1587 Jefferson, Lafayette, Leon, Levy, Liberty, Madison, Nassau,
 1588 Okaloosa, Putnam, Santa Rosa, St. Johns, Suwannee, Taylor,
 1589 Union, Wakulla, Walton, and Washington counties.

1590 2. Central East Region, consisting of Brevard, Flagler,
 1591 Indian River, Lake, Okeechobee, Orange, Osceola, Seminole, St.
 1592 Lucie, and Volusia counties.

1593 3. Central West Region, consisting of Citrus, Hernando,
 1594 Hillsborough, Manatee, Marion, Polk, Pasco, Pinellas, Sarasota,
 1595 and Sumter counties.

1596 4. Southwest Region, consisting of Charlotte, Collier,
 1597 DeSoto, Glades, Hardee, Hendry, Highlands, and Lee counties.

1598 5. Southeast Region, consisting of Broward, Martin, Miami-
 1599 Dade, Monroe, and Palm Beach counties.

1600 (3) APPLICATION PROCEDURE; APPROVAL PROCESS.—

1601 (c) Application process.—The Office of Film and
 1602 Entertainment shall establish a process by which an application
 1603 is accepted and reviewed and by which tax credit eligibility and
 1604 award amount are determined. The Office of Film and
 1605 Entertainment may request assistance from a duly appointed local
 1606 film commission in determining compliance with this section. A
 1607 certified high-impact television series may submit an initial
 1608 application for no more than two successive seasons,
 1609 notwithstanding the fact that the successive seasons have not

1610 been ordered. The successive season's qualified expenditure
 1611 amounts shall be based on the current season's estimated
 1612 qualified expenditures. Upon the completion of production of
 1613 each season, a high-impact television series may submit an
 1614 application for no more than one additional season.

1615 (e) Grounds for denial.—The Office of Film and
 1616 Entertainment shall deny an application if it determines that
 1617 the application is not complete or the production or application
 1618 does not meet the requirements of this section. Within 90 days
 1619 after submitting a program application, except with respect to
 1620 applications in the independent and emerging media queue, a
 1621 production must provide proof of project financing to the Office
 1622 of Film and Entertainment, otherwise the project is deemed
 1623 denied and withdrawn. A project that has been withdrawn may
 1624 submit a new application upon providing the Office of Film and
 1625 Entertainment proof of financing.

1626 (4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES;
 1627 ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS;
 1628 PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND
 1629 ACQUISITIONS.—

1630 (b) Tax credit eligibility.—

1631 1. General production queue.—Ninety-four percent of tax
 1632 credits authorized pursuant to subsection (6) in any state
 1633 fiscal year must be dedicated to the general production queue.
 1634 The general production queue consists of all qualified
 1635 productions other than those eligible for the commercial and
 1636 music video queue or the independent and emerging media
 1637 production queue. A qualified production that demonstrates a

1638 minimum of \$625,000 in qualified expenditures is eligible for
 1639 tax credits equal to 20 percent of its actual qualified
 1640 expenditures, up to a maximum of \$8 million. A qualified
 1641 production that incurs qualified expenditures during multiple
 1642 state fiscal years may combine those expenditures to satisfy the
 1643 \$625,000 minimum threshold.

1644 a. An off-season certified production that is a feature
 1645 film, independent film, or television series or pilot is
 1646 eligible for an additional 5-percent tax credit on actual
 1647 qualified expenditures. An off-season certified production that
 1648 does not complete 75 percent of principal photography due to a
 1649 disruption caused by a hurricane or tropical storm may not be
 1650 disqualified from eligibility for the additional 5-percent
 1651 credit as a result of the disruption.

1652 b. If more than 25 percent of the sum of total tax credits
 1653 awarded to productions after July 1, 2010, and total tax credits
 1654 certified, but not yet awarded, to productions currently in this
 1655 state has been awarded for television series, then no television
 1656 series or pilot shall be eligible for tax credits under this
 1657 subparagraph.

1658 c. The calculations required by this sub-subparagraph
 1659 shall use only credits available to be certified and awarded on
 1660 or after July 1, 2011.

1661 (I) If the provisions of sub-subparagraph b. are not
 1662 applicable and less than 25 percent of the sum of the total tax
 1663 credits awarded to productions and the total tax credits
 1664 certified, but not yet awarded, to productions currently in this
 1665 state has been to high-impact television series, any A qualified

1666 high-impact television series shall be allowed first position in
1667 this queue for tax credit awards not yet certified.

1668 (II) If less than 20 percent of the sum of the total tax
1669 credits awarded to productions and the total tax credits
1670 certified, but not yet awarded, to productions currently in this
1671 state has been to digital media projects, any digital media
1672 project with qualified expenditures of greater than \$4,500,000
1673 shall be allowed first position in this queue for tax credit
1674 awards not yet certified.

1675 (III) For the purposes of determining position between a
1676 high-impact television series allowed first position and a
1677 digital media project allowed first position under this sub-
1678 subparagraph, tax credits shall be awarded on a first-come,
1679 first-served basis.

1680 d. A qualified production that incurs at least 85 percent
1681 of its qualified expenditures within a region designated as an
1682 underutilized region at the time that the production is
1683 certified is eligible for an additional 5 percent tax credit.

1684 e. Any qualified production that employs students enrolled
1685 full-time in a film and entertainment-related or digital media-
1686 related course of study at an institution of higher education in
1687 this state is eligible for an additional 15 percent tax credit
1688 on qualified expenditures that are wages, salaries, or other
1689 compensation paid to such students. The additional 15 percent
1690 tax credit shall also be applicable to persons hired within 12
1691 months of graduating from a film and entertainment-related or
1692 digital media-related course of study at an institution of
1693 higher education in this state. The additional 15 percent tax

1694 credit shall apply to qualified expenditures that are wages,
1695 salaries, or other compensation paid to such recent graduates
1696 for one year from the date of hiring.

1697 f. A qualified production for which 50 percent or more of
1698 its principal photography occurs at a qualified production
1699 facility, or a qualified digital media project or the digital
1700 animation component of a qualified production for which 50
1701 percent or more of the project's or component's qualified
1702 expenditures are related to a qualified digital media production
1703 facility shall be eligible for an additional 5 percent tax
1704 credit on actual qualified expenditures for production activity
1705 at that facility.

1706 g. No qualified production shall be eligible for tax
1707 credits provided under this paragraph totaling more than 30
1708 percent of its actual qualified expenses.

1709 2. Commercial and music video queue.—Three percent of tax
1710 credits authorized pursuant to subsection (6) in any state
1711 fiscal year must be dedicated to the commercial and music video
1712 queue. A qualified production company that produces national or
1713 regional commercials or music videos may be eligible for a tax
1714 credit award if it demonstrates a minimum of \$100,000 in
1715 qualified expenditures per national or regional commercial or
1716 music video and exceeds a combined threshold of \$500,000 after
1717 combining actual qualified expenditures from qualified
1718 commercials and music videos during a single state fiscal year.
1719 After a qualified production company that produces commercials,
1720 music videos, or both reaches the threshold of \$500,000, it is
1721 eligible to apply for certification for a tax credit award. The

1722 maximum credit award shall be equal to 20 percent of its actual
 1723 qualified expenditures up to a maximum of \$500,000. If there is
 1724 a surplus at the end of a fiscal year after the Office of Film
 1725 and Entertainment certifies and determines the tax credits for
 1726 all qualified commercial and video projects, such surplus tax
 1727 credits shall be carried forward to the following fiscal year
 1728 and be available to any eligible qualified productions under the
 1729 general production queue.

1730 3. Independent and emerging media production queue.—Three
 1731 percent of tax credits authorized pursuant to subsection (6) in
 1732 any state fiscal year must be dedicated to the independent and
 1733 emerging media production queue. This queue is intended to
 1734 encourage Florida independent film and emerging media
 1735 production. Any qualified production, excluding commercials,
 1736 infomercials, or music videos, that demonstrates at least
 1737 \$100,000, but not more than \$625,000, in total qualified
 1738 expenditures is eligible for tax credits equal to 20 percent of
 1739 its actual qualified expenditures. If a surplus exists at the
 1740 end of a fiscal year after the Office of Film and Entertainment
 1741 certifies and determines the tax credits for all qualified
 1742 independent and emerging media production projects, such surplus
 1743 tax credits shall be carried forward to the following fiscal
 1744 year and be available to any eligible qualified productions
 1745 under the general production queue.

1746 4. Family-friendly productions.—A certified theatrical or
 1747 direct-to-video motion picture production or video game
 1748 determined by the Commissioner of Film and Entertainment, with
 1749 the advice of the Florida Film and Entertainment Advisory

1750 Council, to be family-friendly, based on the review of the
1751 script and the review of the final release version, is eligible
1752 for an additional tax credit equal to 5 percent of its actual
1753 qualified expenditures. Family-friendly productions are those
1754 that have cross-generational appeal; would be considered
1755 suitable for viewing by children age 5 or older; are appropriate
1756 in theme, content, and language for a broad family audience;
1757 embody a responsible resolution of issues; and do not exhibit or
1758 imply any act of smoking, sex, nudity, or vulgar or profane
1759 language.

1760 (5) TRANSFER OF TAX CREDITS.—

1761 (c) Transferee rights and limitations.—The transferee is
1762 subject to the same rights and limitations as the certified
1763 production company awarded the tax credit, except that the
1764 initial transferee shall be permitted a one-time transfer of
1765 unused credits to no more than two subsequent transferees, and
1766 such transfers must occur in the same taxable year as the
1767 credits were received by the initial transferee, after which the
1768 subsequent transferees may not sell or otherwise transfer the
1769 tax credit.

1770 (7) ANNUAL ALLOCATION OF TAX CREDITS.—

1771 (a) The aggregate amount of the tax credits that may be
1772 certified pursuant to paragraph (3) (d) may not exceed:

- 1773 1. For fiscal year 2010-2011, \$53.5 million.
- 1774 2. For fiscal year 2011-2012, \$74.5 million.
- 1775 3. For fiscal years 2012-2013, 2013-2014, and 2014-2015,
1776 \$42 ~~\$38~~ million per fiscal year.

1777 (10) ANNUAL REPORT.—Each October 1, the Office of Film and
 1778 Entertainment shall provide an annual report for the previous
 1779 fiscal year to the Governor, the President of the Senate, and
 1780 the Speaker of the House of Representatives which outlines the
 1781 return on investment and economic benefits to the state. The
 1782 report shall also include an estimate of the full-time
 1783 equivalent positions created by each production that received
 1784 tax credits under s. 288.1254 and information relating to the
 1785 distribution of productions receiving credits by geographic
 1786 region and type of production.

1787 Section 27. Subsection (5) of section 288.1258, Florida
 1788 Statutes, is amended to read:

1789 288.1258 Entertainment industry qualified production
 1790 companies; application procedure; categories; duties of the
 1791 Department of Revenue; records and reports.—

1792 (5) RELATIONSHIP OF TAX EXEMPTIONS AND INCENTIVES TO
 1793 INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The Office of Film
 1794 and Entertainment shall keep annual records from the information
 1795 provided on taxpayer applications for tax exemption certificates
 1796 beginning January 1, 2001. ~~These records shall reflect a ratio~~
 1797 ~~of the annual amount of sales and use tax exemptions under this~~
 1798 ~~section and incentives awarded pursuant to s. 288.1254 to the~~
 1799 ~~estimated amount of funds expended by certified productions,~~
 1800 ~~including productions that received incentives pursuant to s.~~
 1801 ~~288.1254.~~ These records also shall reflect a separate ratio of
 1802 the annual amount of sales and use tax exemptions under this
 1803 section, plus the incentives awarded pursuant to s. 288.1254 to
 1804 the estimated amount of funds expended by certified productions.

1805 In addition, the office shall maintain data showing annual
1806 growth in Florida-based entertainment industry companies and
1807 entertainment industry employment and wages. The employment
1808 information shall include an estimate of the full-time
1809 equivalent positions created by each production that received
1810 tax credits pursuant to s. 288.1254. The Office of Film and
1811 Entertainment shall report this information to the Legislature
1812 no later than December 1 of each year.

1813 Section 28. Effective January 1, 2012, paragraph (d) is
1814 added to subsection (6) of section 290.0055, Florida Statutes,
1815 to read:

1816 290.0055 Local nominating procedure.—

1817 (6)

1818 (d)1. The governing body of a jurisdiction which has
1819 nominated an application for an enterprise zone that is no
1820 larger than 12 square miles and includes a portion of the state
1821 designated as a rural area of critical economic concern under s.
1822 288.0656(7) may apply to the Office of Tourism, Trade, and
1823 Economic Development to expand the boundary of the enterprise
1824 zone by not more than 3 square miles. An application to expand
1825 the boundary of an enterprise zone under this paragraph must be
1826 submitted by December 31, 2012.

1827 2. Notwithstanding the area limitations specified in
1828 subsection (4), the Office of Tourism, Trade, and Economic
1829 Development may approve the request for a boundary amendment if
1830 the area continues to satisfy the remaining requirements of this
1831 section.

1832 3. The Office of Tourism, Trade, and Economic Development
 1833 shall establish the initial effective date of an enterprise zone
 1834 designated under this paragraph.

1835 Section 29. Effective January 1, 2012, section 290.00726,
 1836 Florida Statutes, is created to read:

1837 290.00726 Enterprise zone designation for Martin County.-
 1838 Martin County may apply to the Office of Tourism, Trade, and
 1839 Economic Development for designation of one enterprise zone for
 1840 an area within Martin County, which zone shall encompass an area
 1841 of up to 10 square miles consisting of land within the primary
 1842 urban services boundary and focusing on Indiantown, but
 1843 excluding property owned by Florida Power and Light to the west,
 1844 two areas to the north designated as estate residential, and the
 1845 county-owned Timer Powers Recreational Area. Within the
 1846 designated enterprise zone, Martin County shall exempt
 1847 residential condominiums from benefiting from state enterprise
 1848 zone incentives, unless prohibited by law. The application must
 1849 have been submitted by December 31, 2011, and must comply with
 1850 the requirements of s. 290.0055. Notwithstanding s. 290.0065
 1851 limiting the total number of enterprise zones designated and the
 1852 number of enterprise zones within a population category, the
 1853 Office of Tourism, Trade, and Economic Development may designate
 1854 one enterprise zone under this section. The Office of Tourism,
 1855 Trade, and Economic Development shall establish the initial
 1856 effective date of the enterprise zone designated under this
 1857 section.

1858 Section 30. Section 290.00727, Florida Statutes, is
 1859 created to read:

1860 290.00727 Enterprise zone designation for the City of Palm
 1861 Bay.—The City of Palm Bay may apply to the Office of Tourism,
 1862 Trade, and Economic Development for designation of one
 1863 enterprise zone for an area within the northeast portion of the
 1864 city, which zone shall encompass an area of up to 5 square
 1865 miles. The application must have been submitted by December 31,
 1866 2011, and must comply with the requirements of s. 290.0055.
 1867 Notwithstanding s. 290.0065 limiting the total number of
 1868 enterprise zones designated and the number of enterprise zones
 1869 within a population category, the Office of Tourism, Trade, and
 1870 Economic Development may designate one enterprise zone under
 1871 this section. The Office of Tourism, Trade, and Economic
 1872 Development shall establish the initial effective date of the
 1873 enterprise zone designated under this section.

1874 Section 31. Section 290.00728, Florida Statutes, is
 1875 created to read:

1876 290.00728 Enterprise zone designation for Lake County.—
 1877 Lake County may apply to the Office of Tourism, Trade, and
 1878 Economic Development for designation of one enterprise zone,
 1879 which zone shall encompass an area of up to 10 square miles
 1880 within Lake County. The application must have been submitted by
 1881 December 31, 2011, and must comply with the requirements of s.
 1882 290.0055. Notwithstanding s. 290.0065 limiting the total number
 1883 of enterprise zones designated and the number of enterprise
 1884 zones within a population category, the Office of Tourism,
 1885 Trade, and Economic Development may designate one enterprise
 1886 zone under this section. The Office of Tourism, Trade, and

1887 Economic Development shall establish the initial effective date
 1888 of the enterprise zone designated under this section.

1889 Section 32. Effective January 1, 2012, subsection (1) of
 1890 section 334.30, Florida Statutes, is amended to read:

1891 334.30 Public-private transportation facilities.—The
 1892 Legislature finds and declares that there is a public need for
 1893 the rapid construction of safe and efficient transportation
 1894 facilities for the purpose of traveling within the state, and
 1895 that it is in the public's interest to provide for the
 1896 construction of additional safe, convenient, and economical
 1897 transportation facilities.

1898 (1) The department may receive or solicit proposals and,
 1899 with legislative approval as evidenced by approval of the
 1900 project in the department's work program, enter into agreements
 1901 with private entities, or consortia thereof, for the building,
 1902 operation, ownership, or financing of transportation facilities.
 1903 The department may advance projects programmed in the adopted 5-
 1904 year work program or projects increasing transportation capacity
 1905 and greater than \$500 million in the 10-year Strategic
 1906 Intermodal Plan using funds provided by public-private
 1907 partnerships or private entities to be reimbursed from
 1908 department funds for the project as programmed in the adopted
 1909 work program. The department shall by rule establish an
 1910 application fee for the submission of unsolicited proposals
 1911 under this section. The fee must be sufficient to pay the costs
 1912 of evaluating the proposals. The department may engage the
 1913 services of private consultants to assist in the evaluation.

1914 Before approval, the department must determine that the proposed
 1915 project:

- 1916 (a) Is in the public's best interest;
- 1917 (b) Would not require state funds to be used unless the
 1918 project is on the State Highway System;
- 1919 (c) Would have adequate safeguards in place to ensure that
 1920 no additional costs or service disruptions would be realized by
 1921 the traveling public and residents of the state in the event of
 1922 default or cancellation of the agreement by the department;
- 1923 (d) Would have adequate safeguards in place to ensure that
 1924 the department or the private entity has the opportunity to add
 1925 capacity to the proposed project and other transportation
 1926 facilities serving similar origins and destinations; and
- 1927 (e) Would be owned by the department upon completion or
 1928 termination of the agreement.

1929
 1930 The department shall ensure that all reasonable costs to the
 1931 state, related to transportation facilities that are not part of
 1932 the State Highway System, are borne by the private entity. The
 1933 department shall also ensure that all reasonable costs to the
 1934 state and substantially affected local governments and
 1935 utilities, related to the private transportation facility, are
 1936 borne by the private entity for transportation facilities that
 1937 are owned by private entities. For projects on the State Highway
 1938 System, the department may use state resources to participate in
 1939 funding and financing the project as provided for under the
 1940 department's enabling legislation. Because the Legislature
 1941 recognizes that private entities or consortia thereof would

1942 perform a governmental or public purpose or function when they
 1943 enter into agreements with the department to design, build,
 1944 operate, own, or finance transportation facilities, the
 1945 transportation facilities, including leasehold interests
 1946 thereof, are exempt from ad valorem taxes as provided in chapter
 1947 196 to the extent property is owned by the state or other
 1948 government entity, and from intangible taxes as provided in
 1949 chapter 199 and special assessments of the state, any city,
 1950 town, county, special district, political subdivision of the
 1951 state, or any other governmental entity. The private entities or
 1952 consortia thereof are exempt from tax imposed by chapter 201 on
 1953 all documents or obligations to pay money which arise out of the
 1954 agreements to design, build, operate, own, lease, or finance
 1955 transportation facilities. Any private entities or consortia
 1956 thereof must pay any applicable corporate taxes as provided in
 1957 chapter ~~chapters~~ 220 ~~and 221~~, and unemployment compensation
 1958 taxes as provided in chapter 443, and sales and use tax as
 1959 provided in chapter 212 shall be applicable. The private
 1960 entities or consortia thereof must also register and collect the
 1961 tax imposed by chapter 212 on all their direct sales and leases
 1962 that are subject to tax under chapter 212. The agreement between
 1963 the private entity or consortia thereof and the department
 1964 establishing a transportation facility under this chapter
 1965 constitutes documentation sufficient to claim any exemption
 1966 under this section.

1967 Section 33. Effective January 1, 2012, subsection (4),
 1968 paragraph (a) of subsection (6), and subsection (7) of section
 1969 624.509, Florida Statutes, are amended to read:

1970 624.509 Premium tax; rate and computation.—
 1971 (4) The income tax imposed under chapter 220 ~~and the~~
 1972 ~~emergency excise tax imposed under chapter 221~~ which is are paid
 1973 by any insurer shall be credited against, and to the extent
 1974 thereof shall discharge, the liability for tax imposed by this
 1975 section for the annual period in which such tax payments are
 1976 made. As to any insurer issuing policies insuring against loss
 1977 or damage from the risks of fire, tornado, and certain casualty
 1978 lines, the tax imposed by this section, as intended and
 1979 contemplated by this subsection, shall be construed to mean the
 1980 net amount of such tax remaining after there has been credited
 1981 thereon such gross premium receipts tax as may be payable by
 1982 such insurer in pursuance of the imposition of such tax by any
 1983 incorporated cities or towns in the state for firefighters'
 1984 relief and pension funds and police officers' retirement funds
 1985 maintained in such cities or towns, as provided in and by
 1986 relevant provisions of the Florida Statutes. For purposes of
 1987 this subsection, payments of estimated income tax under chapter
 1988 220 ~~and of estimated emergency excise tax under chapter 221~~
 1989 shall be deemed paid either at the time the insurer actually
 1990 files its annual returns under chapter 220 or at the time such
 1991 returns are required to be filed, whichever first occurs, and
 1992 not at such earlier time as such payments of estimated tax are
 1993 actually made.

1994 (6) (a) The total of the credit granted for the taxes paid
 1995 by the insurer under chapter ~~chapters~~ 220 ~~and 221~~ and the credit
 1996 granted by subsection (5) may ~~shall~~ not exceed 65 percent of the
 1997 tax due under subsection (1) after deducting therefrom the taxes

1998 | paid by the insurer under ss. 175.101 and 185.08 and any
 1999 | assessments pursuant to s. 440.51.

2000 | (7) Credits and deductions against the tax imposed by this
 2001 | section shall be taken in the following order: deductions for
 2002 | assessments made pursuant to s. 440.51; credits for taxes paid
 2003 | under ss. 175.101 and 185.08; credits for income taxes paid
 2004 | under chapter 220, ~~the emergency excise tax paid under chapter~~
 2005 | ~~221~~ and the credit allowed under subsection (5), as these
 2006 | credits are limited by subsection (6); all other available
 2007 | credits and deductions.

2008 | Section 34. Effective January 1, 2012, subsection (1) of
 2009 | section 624.51055, Florida Statutes, is amended to read:

2010 | 624.51055 Credit for contributions to eligible nonprofit
 2011 | scholarship-funding organizations.—

2012 | (1) There is allowed a credit of 100 percent of an
 2013 | eligible contribution made to an eligible nonprofit scholarship-
 2014 | funding organization under s. 1002.395 against any tax due for a
 2015 | taxable year under s. 624.509(1). However, such a credit may not
 2016 | exceed 75 percent of the tax due under s. 624.509(1) after
 2017 | deducting from such tax deductions for assessments made pursuant
 2018 | to s. 440.51; credits for taxes paid under ss. 175.101 and
 2019 | 185.08; credits for income taxes paid under chapter 220; ~~credits~~
 2020 | ~~for the emergency excise tax paid under chapter 221;~~ and the
 2021 | credit allowed under s. 624.509(5), as such credit is limited by
 2022 | s. 624.509(6). An insurer claiming a credit against premium tax
 2023 | liability under this section shall not be required to pay any
 2024 | additional retaliatory tax levied pursuant to s. 624.5091 as a

2025 result of claiming such credit. Section 624.5091 does not limit
 2026 such credit in any manner.

2027 Section 35. (1) The executive director of the Department
 2028 of Revenue is authorized, and all conditions are deemed met, to
 2029 adopt emergency rules under ss. 120.536(1) and 120.54(4),
 2030 Florida Statutes, for the purpose of implementing this act.

2031 (2) Notwithstanding any other provision of law, such
 2032 emergency rules shall remain in effect for 6 months after the
 2033 date adopted and may be renewed during the pendency of
 2034 procedures to adopt permanent rules addressing the subject of
 2035 the emergency rules.

2036 Section 36. (1) The tax levied under chapter 212, Florida
 2037 Statutes, may not be collected during the period from 12:01 a.m.
 2038 on August 12, 2011, through 11:59 p.m. on August 14, 2011, on
 2039 the sale of:

2040 (a) Clothing, wallets, or bags, including handbags,
 2041 backpacks, fanny packs, and diaper bags, but excluding
 2042 briefcases, suitcases, and other garment bags, having a sales
 2043 price of \$75 or less per item. As used in this paragraph, the
 2044 term "clothing" means:

2045 1. Any article of wearing apparel intended to be worn on
 2046 or about the human body, excluding watches, watchbands, jewelry,
 2047 umbrellas, or handkerchiefs; and

2048 2. All footwear, excluding skis, swim fins, roller blades,
 2049 and skates.

2050 (b) School supplies having a sales price of \$15 or less
 2051 per item. As used in this paragraph, the term "school supplies"
 2052 means pens, pencils, erasers, crayons, notebooks, notebook

2053 filler paper, legal pads, binders, lunch boxes, construction
 2054 paper, markers, folders, poster board, composition books, poster
 2055 paper, scissors, cellophane tape, glue or paste, rulers,
 2056 computer disks, protractors, compasses, and calculators.

2057 (2) The tax exemptions in this section do not apply to
 2058 sales within a theme park or entertainment complex as defined in
 2059 s. 509.013(9), Florida Statutes, a public lodging establishment
 2060 as defined in s. 509.013(4), Florida Statutes, or an airport as
 2061 defined in s. 330.27(2), Florida Statutes.

2062 (3) The Department of Revenue may, and all conditions are
 2063 deemed met to, adopt emergency rules pursuant to ss. 120.536(1)
 2064 and 120.54, Florida Statutes, to administer this section.

2065 (4) This section shall take effect upon this act becoming
 2066 a law.

2067 Section 37. Effective upon this act becoming a law, and
 2068 for the 2010-2011 fiscal year, the sum of \$218,905 in
 2069 nonrecurring funds is appropriated from the General Revenue Fund
 2070 to the Department of Revenue for purposes of administering
 2071 section 36. Funds remaining unexpended or unencumbered from this
 2072 appropriation as of June 30, 2011, shall revert and be
 2073 reappropriated for the same purpose in the 2011-2012 fiscal
 2074 year.

2075 Section 38. Effective upon this act becoming a law,
 2076 section 288.987, Florida Statutes, is created to read:

2077 288.987 Florida Defense Support Task Force.—

2078 (1) The Florida Defense Support Task Force is created.

2079 (2) The mission of the task force is to make
 2080 recommendations to prepare the state to effectively compete in

2081 any federal base realignment and closure action, to support the
 2082 state's position in research and development related to or
 2083 arising out of military missions and contracting, and to improve
 2084 the state's military-friendly environment for service members,
 2085 military dependents, military retirees, and businesses that
 2086 bring military and base-related jobs to the state.

2087 (3) The task force shall be comprised of the Governor or
 2088 his or her designee, and 12 members appointed as follows:

2089 (a) Four members appointed by the Governor.

2090 (b) Four members appointed by the President of the Senate.

2091 (c) Four members appointed by the Speaker of the House of
 2092 Representatives.

2093 (d) Appointed members must represent defense-related
 2094 industries or communities that host military bases and
 2095 installations. All appointments must be made by August 1, 2011.
 2096 Members shall serve for a term of 4 years, with the first term
 2097 ending July 1, 2015. However, if members of the Legislature are
 2098 appointed to the task force, those members shall serve until the
 2099 expiration of their legislative term and may be reappointed
 2100 once. A vacancy shall be filled for the remainder of the
 2101 unexpired term in the same manner as the initial appointment.
 2102 All members of the council are eligible for reappointment. A
 2103 member who serves in the Legislature may participate in all task
 2104 force activities, but may only vote on matters that are
 2105 advisory.

2106 (4) The President of the Senate and the Speaker of the
 2107 House of Representatives shall each designate one of their
 2108 appointees to serve as chair of the task force. The chair shall

2109 rotate each July 1. The appointee designated by the President of
 2110 the Senate shall serve as initial chair. If the Governor,
 2111 instead of his or her designee, participates in the activities
 2112 of the task force, then the Governor shall serve as chair.

2113 (5) The Director of the Office of Tourism, Trade, and
 2114 Economic Development within the Executive Office of the
 2115 Governor, or his or her designee, shall serve as the ex officio,
 2116 nonvoting executive director of the task force.

2117 (6) The chair shall schedule and conduct the first meeting
 2118 of the task force by October 1, 2011. The task force shall
 2119 submit a progress report and work plan for the remainder of the
 2120 2011-2012 fiscal year to the Governor, the President of the
 2121 Senate, and the Speaker of the House of Representatives by
 2122 February 1, 2012, and shall submit an annual report each
 2123 February 1 thereafter.

2124 (7) The Office of Tourism, Trade, and Economic Development
 2125 shall contract with the task force for expenditure of
 2126 appropriated funds, which may be used by the task force for
 2127 economic and product research and development, joint planning
 2128 with host communities to accommodate military missions and
 2129 prevent base encroachment, advocacy on the state's behalf with
 2130 federal civilian and military officials, assistance to school
 2131 districts in providing a smooth transition for large numbers of
 2132 additional military-related students, job training and placement
 2133 for military spouses in communities with high proportions of
 2134 active duty military personnel, and promotion of the state to
 2135 military and related contractors and employers. The task force
 2136 may annually spend up to \$200,000 of funds appropriated to the

2137 Executive Office of the Governor, Office of Tourism, Trade, and
 2138 Economic Development, for the task force for staffing and
 2139 administrative expenses of the task force, including travel and
 2140 per diem costs incurred by task force members who are not
 2141 otherwise eligible for state reimbursement.

2142 Section 39. There is appropriated for state fiscal year
 2143 2011-2012 to the Executive Office of the Governor, Office of
 2144 Tourism, Trade, and Economic Development:

2145 (1) The sum of \$15 million in nonrecurring funds from the
 2146 General Revenue Fund for the Innovation Incentive Fund program.

2147 (2) The sum of \$42 million in nonrecurring funds from the
 2148 General Revenue Fund for the Quick Action Closing Fund program.
 2149 From these funds, preference shall be given to those projects
 2150 that include at least a 20 percent local match of cash or in-
 2151 kind contributions, which contributions provide a cash savings
 2152 to the private business entity receiving the incentive awards.

2153 (3) The sum of \$10 million in nonrecurring funds from the
 2154 General Revenue Fund for the Institute for the Commercialization
 2155 of Public Research.

2156 (4) The sum of \$5 million in nonrecurring funds from the
 2157 General Revenue Fund for the Florida Defense Support Task Force.

2158 Section 40. Except as otherwise expressly provided in this
 2159 act and except for this section, which shall take effect upon
 2160 this act becoming a law, this act shall take effect July 1,
 2161 2011.