

By Senator Bullard

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1 A bill to be entitled
2 An act relating to super enterprise zones; amending s.
3 212.02, F.S.; defining the term "certified business"
4 for purposes of a tax exemption provided to certain
5 businesses located within a super enterprise zone;
6 providing for future expiration; amending s. 212.08,
7 F.S.; providing a tax exemption for certain property
8 purchased for use or consumption by businesses in a
9 super enterprise zone and for retail sales made by
10 certified businesses in a super enterprise zone;
11 providing an exception; specifying periods for
12 applying the exemptions for certain businesses;
13 providing for future expiration of the exemption;
14 amending s. 290.0056, F.S.; providing additional
15 responsibilities of an enterprise zone development
16 agency relating to super enterprise zones; requiring
17 an economic impact report; providing for future
18 expiration; amending s. 290.0057, F.S.; applying
19 requirements for an enterprise zone development plan
20 to super enterprise zones; creating s. 290.00681,
21 F.S.; requiring the Office of Tourism, Trade, and
22 Economic Development to designate specified areas in
23 Miami-Dade, Lee, and Collier Counties as pilot project
24 super enterprise zones for a certain period; providing
25 qualification criteria; providing application
26 requirements; providing for future expiration and
27 revocation of the designations; creating s. 290.00682,
28 F.S.; providing requirements for qualification as a
29 certified business for purposes of the sales tax

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

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

44
45 Section 1. Subsection (35) is added to section 212.02,
46 Florida Statutes, to read:

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

51 (35) "Certified business" means a business that is located
52 in a super enterprise zone and certified under s. 290.00682.
53 This subsection expires June 30, 2024.

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

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

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

62 (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.-

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

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

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

82 (b) Notwithstanding paragraph (a), a new business
83 established in a super enterprise zone and certified on or after
84 July 1, 2012, pursuant to s. 290.00682, is eligible for the
85 exemptions provided under this subsection for a period not to
86 exceed 10 years immediately following such certification. For an
87 existing business located in a super enterprise zone and

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88 certified on or after July 1, 2012, the exemptions provided
89 under this subsection are available for a period not to exceed 5
90 years, beginning in the year in which the business receives its
91 initial certification and continuing for up to 5 years
92 immediately following such certification.

93 (c) This subsection expires June 30, 2024.

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

99 290.0056 Enterprise zone development agency.—

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

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

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

107
108 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,
109 this paragraph expires June 30, 2024.

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

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

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

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117 relocated.

118 2. The number of jobs created.

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

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

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

126
127 Notwithstanding section 11 of chapter 2005-287, Laws of Florida,
128 this paragraph expires June 30, 2023.

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

131 290.0057 Enterprise zone development plan.-

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

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

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

145 (c) Identify and describe key community goals and the

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146 barriers that restrict the community from achieving these goals,
147 including a description of poverty and general distress,
148 barriers to economic opportunity and development, and barriers
149 to human development.

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

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

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

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

173 (h) Identify the funding requested under any state or
174 federal program in support of the proposed economic, human,

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175 community, and physical development and related activities.

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

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

180 290.00681 Super enterprise zone pilot project; designation;
181 future expiration and revocation.—

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

193 (a) Be located in an enterprise zone and be no larger than
194 3 contiguous square miles.

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

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

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

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204 welfare of the community.

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

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

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

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

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

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

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

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

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

232 (3) This section expires June 30, 2024, and any designation

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233 made pursuant to this section shall be revoked on that date.

234 290.00682 Super enterprise zones; business certification.-

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

240 (a) File an application for certification with the local
241 enterprise zone development agency. The application shall be
242 filed by September 1 preceding the calendar year for which the
243 business is seeking an exemption.

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

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

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

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

255 (2) A local enterprise zone development agency may certify
256 a business as eligible for the exemptions under s. 212.08(19)
257 annually if the business meets the requirements in subsection
258 (1). Each local enterprise zone development agency shall
259 annually provide a list of new and existing certified businesses
260 to the local governmental entity, the office, and the Department
261 of Revenue. The Department of Revenue shall annually issue a tax

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262 exemption certificate to each business holding an exemption
263 certificate issued by the local enterprise zone development
264 agency. The certificate remains in effect for 1 calendar year.

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

272 (4) This section expires June 30, 2024, and any
273 certification made pursuant to this section shall be revoked on
274 that date.

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

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

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

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

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

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

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

290 (e)~~(5)~~ The sales tax exemption for business equipment used

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291 in an enterprise zone provided in s. 212.08(5)(h).

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

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

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

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

308 (a) The sales tax exemption for certified businesses
309 provided in s. 212.08(19)(a)1.

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

312 Section 7. Before the 2018 Regular Session of the
313 Legislature, the Office of Program Policy Analysis and
314 Government Accountability shall conduct an interim review and
315 evaluation of the effectiveness and viability of the super
316 enterprise zones designated under s. 290.00681, Florida
317 Statutes. The office shall specifically evaluate whether relief
318 from the specified taxes caused or induced new investment and
319 development in the super enterprise zones; increased the number

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320 of jobs created or retained in the super enterprise zones;
321 caused or induced the renovation, rehabilitation, restoration,
322 improvement, or new construction of businesses or housing within
323 the super enterprise zones; or contributed to the economic
324 viability and profitability of business and commerce located
325 within the super enterprise zones. The office shall submit a
326 report of its findings and recommendations to the President of
327 the Senate and the Speaker of the House of Representatives by
328 December 1, 2017. In 2023, the office shall conduct a final
329 review in accordance with this section and make a final report
330 to the President of the Senate and the Speaker of the House of
331 Representatives by December 1 of that year.

332 Section 8. This act shall take effect July 1, 2011.