

1                                   A bill to be entitled  
 2           An act relating to the tax refund program for  
 3           qualified target industry businesses; amending s.  
 4           288.106, F.S.; authorizing the Department of Economic  
 5           Opportunity to approve prorated tax refunds under  
 6           certain circumstances; providing for calculation of  
 7           the prorated tax refunds; conforming provisions to  
 8           changes made by the act; conforming obsolete  
 9           references to the former Office of Tourism, Trade, and  
 10          Economic Development; conforming cross-references;  
 11          providing an effective date.

12  
 13 Be It Enacted by the Legislature of the State of Florida:

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 15           Section 1. Paragraph (f) of subsection (4), paragraph (b)  
 16           of subsection (5), and paragraphs (c), (d), (e), and (i) of  
 17           subsection (6) of section 288.106, Florida Statutes, are  
 18           amended, present paragraphs (f) through (i) of subsection (6)  
 19           are redesignated as paragraphs (g) through (j), respectively,  
 20           and a new paragraph (f) is added to that subsection, to read:

21           288.106 Tax refund program for qualified target industry  
 22           businesses.—

23           (4) APPLICATION AND APPROVAL PROCESS.—

24           (f) Effective July 1, 2011, notwithstanding paragraph  
 25           (2)(j) ~~(2)(k)~~, the department ~~office~~ may reduce the local  
 26           financial support requirements of this section by one-half for a  
 27           qualified target industry business located in Bay County,  
 28           Escambia County, Franklin County, Gadsden County, Gulf County,

HB 1199

2012

29 Jefferson County, Leon County, Okaloosa County, Santa Rosa  
30 County, Wakulla County, or Walton County, if the department  
31 ~~office~~ determines that such reduction of the local financial  
32 support requirements is in the best interest of the state and  
33 facilitates economic development, growth, or new employment  
34 opportunities in such county. This paragraph expires June 30,  
35 2014.

36 (5) TAX REFUND AGREEMENT.—

37 (b) Compliance with the terms and conditions of the  
38 agreement is a condition precedent for the receipt of a tax  
39 refund each year. The failure to comply with the terms and  
40 conditions of the tax refund agreement results in the loss of  
41 eligibility for receipt of all tax refunds previously authorized  
42 under this section and the revocation by the department of the  
43 certification of the business entity as a qualified target  
44 industry business, unless the business is eligible to receive  
45 and elects to accept a prorated refund under paragraph (6) (e),  
46 the department grants the business a prorated refund under  
47 paragraph (6) (f), or the department grants the business an  
48 economic recovery extension.

49 1. A qualified target industry business may submit a  
50 request to the department for a prorated refund under paragraph  
51 (6) (f) or for an economic recovery extension. The request must  
52 provide quantitative evidence demonstrating how negative  
53 economic conditions in the business's industry, the effects of a  
54 named hurricane or tropical storm, or specific acts of terrorism  
55 affecting the qualified target industry business have prevented  
56 the business from complying with the terms and conditions of its

HB 1199

2012

57 | tax refund agreement.

58 |       2. Upon receipt of a request under subparagraph 1., the  
59 | department has 45 days to notify the requesting business, in  
60 | writing, whether its request is ~~extension has been~~ granted or  
61 | denied. In determining whether a request is ~~an extension should~~  
62 | ~~be~~ granted, the department shall consider the extent to which  
63 | negative economic conditions in the requesting business's  
64 | industry have occurred in the state or the effects of a named  
65 | hurricane or tropical storm or specific acts of terrorism  
66 | affecting the qualified target industry business have prevented  
67 | the business from complying with the terms and conditions of its  
68 | tax refund agreement. The department shall consider current  
69 | employment statistics for this state by industry, including  
70 | whether the business's industry had substantial job loss during  
71 | the prior year, when determining whether a request is ~~an~~  
72 | ~~extension shall be~~ granted.

73 |       3. As a condition for receiving a prorated refund under  
74 | paragraph (6) (e), a prorated refund under paragraph (6) (f), or  
75 | an economic recovery extension under this paragraph, a qualified  
76 | target industry business must agree to renegotiate its tax  
77 | refund agreement with the department to, at a minimum, ensure  
78 | that the terms of the agreement comply with current law and the  
79 | department's procedures governing application for and award of  
80 | tax refunds. Upon approving the award of a prorated refund or  
81 | granting an economic recovery extension, the department shall  
82 | renegotiate the tax refund agreement with the business as  
83 | required by this subparagraph. When amending the agreement of a  
84 | business receiving an economic recovery extension, the

HB 1199

2012

85 department may extend the duration of the agreement for a period  
86 not to exceed 2 years.

87 4. A qualified target industry business may submit a  
88 request for an economic recovery extension to the department in  
89 lieu of any tax refund claim scheduled to be submitted after  
90 January 1, 2009, but before July 1, 2012.

91 5. A qualified target industry business that receives an  
92 economic recovery extension may not receive a tax refund for the  
93 period covered by the extension.

94 (6) ANNUAL CLAIM FOR REFUND.—

95 (c) The department may waive the requirement for proof of  
96 taxes paid in future years for a qualified target industry  
97 business that provides the department ~~office~~ with proof that, in  
98 a single year, the business has paid an amount of state taxes  
99 from the categories in paragraph (3)(d) that is at least equal  
100 to the total amount of tax refunds that the business may receive  
101 through successful completion of its tax refund agreement.

102 (d) A tax refund may not be approved for a qualified  
103 target industry business unless the required local financial  
104 support has been paid into the account for that refund. If the  
105 local financial support provided is less than 20 percent of the  
106 approved tax refund, the tax refund must be reduced. In no event  
107 may the tax refund exceed an amount that is equal to 5 times the  
108 amount of the local financial support received. Further, funding  
109 from local sources includes any tax abatement granted to that  
110 business under s. 196.1995 or the appraised market value of  
111 municipal or county land conveyed or provided at a discount to  
112 that business. The amount of any tax refund for such business

HB 1199

2012

113 approved under this section must be reduced by the amount of any  
114 such tax abatement granted or the value of the land granted, and  
115 the limitations in subsection (3) and paragraph (4)(e) must be  
116 reduced by the amount of any such tax abatement or the value of  
117 the land granted. A report listing all sources of the local  
118 financial support shall be provided to the department ~~office~~  
119 when such support is paid to the account.

120 (e) A prorated tax refund, less a 5-percent penalty, shall  
121 be approved for a qualified target industry business if all  
122 other applicable requirements have been satisfied and the  
123 business proves to the satisfaction of the department ~~office~~  
124 that:

125 1. The business ~~It~~ has achieved at least 80 percent of its  
126 projected employment; and

127 2. The average wage paid by the business is at least 90  
128 percent of the average wage specified in the tax refund  
129 agreement, but in no case less than 115 percent of the average  
130 private sector wage in the area available at the time of  
131 certification, or 150 percent or 200 percent of the average  
132 private sector wage if the business requested the additional  
133 per-job tax refund authorized in paragraph (3)(b) for wages  
134 above those levels. The prorated tax refund shall be calculated  
135 by multiplying the tax refund amount for which the qualified  
136 target industry business would have been eligible, if all  
137 applicable requirements had been satisfied, by the percentage of  
138 the average employment specified in the tax refund agreement  
139 which was achieved, and by the percentage of the average wages  
140 specified in the tax refund agreement which was achieved.

HB 1199

2012

141 (f) A prorated tax refund, less a 10-percent penalty, may  
142 be approved for a qualified target industry business if all  
143 other applicable requirements have been satisfied and the  
144 business proves to the satisfaction of the department that:

145 1. The business's project has resulted in the creation of  
146 at least 10 jobs; and

147 2. The average wage paid by the business is at least 90  
148 percent of the average wage specified in the tax refund  
149 agreement, but in no case less than 115 percent of the average  
150 private sector wage in the area available at the time of  
151 certification, or 150 percent or 200 percent of the average  
152 private sector wage if the business requested the additional  
153 per-job tax refund authorized in paragraph (3) (b) for wages  
154 above those levels. The prorated tax refund shall be calculated  
155 by multiplying the tax refund amount for which the qualified  
156 target industry business would have been eligible, if all  
157 applicable requirements had been satisfied, by the percentage of  
158 the average employment specified in the tax refund agreement  
159 which was achieved, and by the percentage of the average wages  
160 specified in the tax refund agreement which was achieved.

161 (j) ~~(i)~~ Upon approval of the tax refund under paragraphs  
162 (d), (e), ~~and (f)~~, and (g), the Chief Financial Officer shall  
163 issue a warrant for the amount specified in the written order.  
164 If the written order is appealed, the Chief Financial Officer  
165 may not issue a warrant for a refund to the qualified target  
166 industry business until the conclusion of all appeals of that  
167 order.

168 Section 2. This act shall take effect July 1, 2012.