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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/11/2012	.	
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The Committee on Military Affairs, Space, and Domestic Security (Bennett) recommended the following:

**Senate Amendment (with title amendment)**

Between lines 69 and 70  
insert:

Section 1. Section 220.1893, Florida Statutes, is created  
to read:

220.1893 National Guard Employment Tax Credit Program.—

(1) As used in this section, the term:

(a) "Department" means the Department of Economic  
Opportunity.

(b) "Eligible business" means any business that is  
operating and authorized to do business in this state.



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13           (c) "Qualified employee" means a person:

14           1. Who is a current Florida National Guard member in good  
15 standing, as verified by the Adjutant General of the Florida  
16 National Guard, and has been unemployed for more than 6 months  
17 or is returning from duty abroad;

18           2. Who was hired by an eligible business on or July 1,  
19 2012, and had not previously been employed by the eligible  
20 business or its parent or an affiliated corporation;

21           3. Who performed duties connected to the operations of the  
22 eligible business on a regular, full-time basis for an average  
23 of at least 36 hours per week and for at least 3 months before  
24 an eligible business is awarded a tax credit; and

25           4. Whose employment by the eligible business has not formed  
26 the basis for any other claim to a credit pursuant to this  
27 chapter.

28           (2) A certified business shall receive a \$10,000 tax credit  
29 for each qualified employee, subject to limitation in subsection  
30 (5). The credit may be taken against:

31           (a) Corporate income taxes under chapter 220.

32           (b) Insurance premium tax under s. 624.509.

33           (c) Taxes on sales, use, and other transactions under  
34 chapter 212.

35           (d) Intangible personal property taxes under chapter 199.

36           (e) Excise taxes on documents under chapter 201.

37           (f) Ad valorem taxes paid, as defined in s. 220.03(1).

38           (g) State communications services taxes administered under  
39 chapter 202. This paragraph does not apply to the gross receipts  
40 tax imposed under chapter 203 and administered under chapter 202  
41 or the local communications services tax authorized under s.



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42 202.19.

43 (3) (a) To become a certified business, an officer of an  
44 eligible business must file under oath with the Department of  
45 Economic Opportunity an application that includes:

46 1. The name, address, and NAICS identifying code of the  
47 eligible business. As used in this subsection, "NAICS" means  
48 those classifications contained in the North American Industry  
49 Classification System, as published in 2007 by the Office of  
50 Management and Budget, Executive Office of the President.

51 2. Relevant employment information.

52 3. A sworn affidavit, signed by each employee for whom the  
53 eligible business is seeking credits under this section,  
54 attesting to his or her previous unemployment.

55 4. Verification that the wages paid by the eligible  
56 business to each of its qualified employees exceeds the wage  
57 eligibility levels for Medicaid and other public assistance  
58 programs.

59 5. Any other information necessary to process the  
60 application.

61 (b) The Department of Economic Opportunity shall process  
62 applications to certify a business in the order in which the  
63 applications are received, without regard as to whether the  
64 applicant is a new or an existing business. The department shall  
65 review and approve or deny an application within 10 days after  
66 receiving a completed application. The department shall notify  
67 the applicant in writing as to the department's decision.

68 (c)1. The department shall submit a copy of the letter of  
69 certification to the Department of Revenue within 10 days after  
70 the department issues the letter of certification to the



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71 applicant.

72 2. If the application of an eligible business is not  
73 sufficient to certify the applicant business, the department  
74 must deny the application and issue a notice of denial to the  
75 applicant.

76 3. If the application of an eligible business does not  
77 contain sufficient documentation of the number of qualified  
78 employees, the department shall approve the application with  
79 respect to the employees for who the department determines are  
80 qualified employees. The department must deny the application  
81 with respect to persons for whom the department determines are  
82 not qualified employees or for whom insufficient documentation  
83 has been provided. A business may not submit a revised  
84 application for certification or for the determination of a  
85 person as a qualified employee more than 3 months after the  
86 issuance of a notice of denial with respect to the business or a  
87 particular person as a qualified employee.

88 (4) The applicant for a tax credit under this section has  
89 the responsibility to affirmatively demonstrate to the  
90 satisfaction of the department and the Department of Revenue  
91 that the applicant and the persons claimed as qualified  
92 employees meet the requirements of this section.

93 (5) The total amount of tax credits under this section  
94 which may be approved by the department for all applicants is \$5  
95 million per fiscal year.

96 (6) A tax credit amount that is granted under this section  
97 which is not fully used in the first year for which it becomes  
98 available may be carried forward to the subsequent taxable year.  
99 The carryover credit may be used in the subsequent year if the



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100 tax imposed by this chapter for such year exceeds the credit for  
101 such year under this section after applying the other credits  
102 and unused credit carryovers in the order provided in s.  
103 220.02(8).

104 (7) A person who fraudulently claims a credit under this  
105 section is liable for repayment of the credit plus a mandatory  
106 penalty of 100 percent of the credit. Such person also commits a  
107 misdemeanor of the second degree, punishable as provided in s.  
108 775.082 or s. 775.083.

109 (8) The department may adopt rules governing the manner and  
110 form of applications for the tax credit. The department may  
111 establish guidelines for making an affirmative showing of  
112 qualification for the tax credit under this section.

113 (9) The Department of Revenue may adopt rules to administer  
114 this section, including rules relating to the creation of forms  
115 to claim a tax credit and examination and audit procedures  
116 required to administer this section.

117 (10) This section expires July 1, 2014. However, a taxpayer  
118 that is awarded a tax credit in the second year of the program  
119 may carry forward any unused credit amount to the subsequent tax  
120 reporting period. Rules adopted by the Department of Revenue to  
121 administer this section shall remain valid as long as a taxpayer  
122 may use a credit against its corporate income tax liability.

123  
124 ===== T I T L E A M E N D M E N T =====

125 And the title is amended as follows:

126 Delete line 3

127 and insert:

128 personnel; creating s. 220.1893, F.S.; providing a tax



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129 credit program for eligible business that hire certain  
130 national guard members; providing definitions;  
131 providing credits against specified taxes for  
132 certified businesses; providing guidelines for  
133 becoming a certified business; requiring the  
134 Department of Economic Opportunity to certify  
135 qualified businesses; providing criteria for the  
136 certification; limiting the total amounts of tax  
137 credits; providing for certain tax credits to be  
138 carried forward; providing penalties for fraudulent  
139 claims; authorizing the Department of Economic  
140 Opportunity and the Department of Revenue to adopt  
141 rules; providing for expiration of the tax credits;  
142 amending s. 295.187, F.S.; revising