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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
12/10/2013	.	
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The Committee on Military and Veterans Affairs, Space, and Domestic Security (Bullard) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 220.197, Florida Statutes, is created to
read:

220.197 Tax credit for employment of veterans.-

(1) This section may be cited as the "Florida Veterans
Employment Act."

(2) A business qualifies for a one-time credit against the



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11 tax imposed by this chapter in the amount of \$5,000 per
12 individual for hiring a veteran, as defined in s. 1.01, after
13 the business has paid \$5,000 in gross salary to the veteran.
14 Veterans for whom the credit is claimed must first begin
15 employment in the operations of the qualifying business on or
16 after January 1, 2015, and perform duties in connection with the
17 operations of the business for an average of at least 36 hours
18 per week. Veterans who have been previously employed by the
19 qualifying business or any other member of the same controlled
20 group of corporations of which the qualifying business is a
21 member may not be claimed for the tax credit. As used in this
22 section, the term "controlled group of corporations" has the
23 same meaning as provided in 26 U.S.C. s. 1563(a).

24 (3) A qualifying business is eligible for an additional
25 one-time credit against the tax imposed by this chapter in the
26 amount of \$5,000 per individual for hiring a veteran, as defined
27 in s. 1.01, after the business has paid an additional \$5,000 in
28 gross salary to the veteran if such veteran has an official
29 letter from the United States Department of Veterans Affairs
30 stating that he or she has a service-connected disability.

31 (4) In order to claim a tax credit under this section, a
32 qualifying business must submit an application and receive
33 approval from the department to claim the credit. Applications
34 for credit under subsection (3) must include a copy of the
35 veteran's official letter from the United States Department of
36 Veterans Affairs stating that the veteran has a service-
37 connected disability. Qualified applicants shall be approved on
38 a first-come, first-served basis, based on the date the
39 completed application is received by the department. The



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40 department may not accept an incomplete application as a
41 placeholder for the completed application, and the submission of
42 such incomplete application does not secure a place in the
43 first-come, first-served approval process.

44 (5) The department may not approve more than \$10 million in
45 tax credits per calendar year pursuant to this section.

46 (6) The department may adopt rules governing the manner and
47 form of application for the tax credits. The department may
48 establish guidelines for making an affirmative showing of
49 qualification for the tax credits under this section.

50 (5) This section expires December 31, 2019. However, a
51 qualifying business may carry forward any unused credit for up
52 to 2 taxable years after the year the credit is earned.

53 (6) This section applies to taxable years beginning on or
54 after January 1, 2015.

55 Section 2. Subsection (8) of section 220.02, Florida
56 Statutes, is amended to read:

57 220.02 Legislative intent.—

58 (8) It is the intent of the Legislature that credits
59 against ~~either~~ the corporate income tax or the franchise tax be
60 applied in the following order: those enumerated in s. 631.828,
61 those enumerated in s. 220.191, those enumerated in s. 220.181,
62 those enumerated in s. 220.183, those enumerated in s. 220.182,
63 those enumerated in s. 220.1895, those enumerated in s. 220.195,
64 those enumerated in s. 220.184, those enumerated in s. 220.186,
65 those enumerated in s. 220.1845, those enumerated in s. 220.19,
66 those enumerated in s. 220.185, those enumerated in s. 220.1875,
67 those enumerated in s. 220.192, those enumerated in s. 220.193,
68 those enumerated in s. 288.9916, those enumerated in s.



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69 220.1899, those enumerated in s. 220.194, ~~and~~ those enumerated
70 in s. 220.196, and those enumerated in s. 220.197.

71 Section 3. Paragraph (a) of subsection (1) of section
72 220.13, Florida Statutes, is amended to read:

73 220.13 "Adjusted federal income" defined.—

74 (1) The term "adjusted federal income" means an amount
75 equal to the taxpayer's taxable income as defined in subsection
76 (2), or such taxable income of more than one taxpayer as
77 provided in s. 220.131, for the taxable year, adjusted as
78 follows:

79 (a) *Additions.*—There shall be added to such taxable income:

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

85 2. The amount of interest which is excluded from taxable
86 income under s. 103(a) of the Internal Revenue Code or any other
87 federal law, less the associated expenses disallowed in the
88 computation of taxable income under s. 265 of the Internal
89 Revenue Code or any other law, excluding 60 percent of any
90 amounts included in alternative minimum taxable income, as
91 defined in s. 55(b)(2) of the Internal Revenue Code, if the
92 taxpayer pays tax under s. 220.11(3).

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

97 4. That portion of the wages or salaries paid or incurred



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98 for the taxable year which is equal to the amount of the credit
99 allowable for the taxable year under s. 220.181. This
100 subparagraph expires ~~shall expire~~ on the date specified in s.
101 290.016 for the expiration of the Florida Enterprise Zone Act.

102 5. That portion of the ad valorem school taxes paid or
103 incurred for the taxable year which is equal to the amount of
104 the credit allowable for the taxable year under s. 220.182. This
105 subparagraph expires ~~shall expire~~ on the date specified in s.
106 290.016 for the expiration of the Florida Enterprise Zone Act.

107 6. The amount taken as a credit under s. 220.195 which is
108 deductible from gross income in the computation of taxable
109 income for the taxable year.

110 7. That portion of assessments to fund a guaranty
111 association incurred for the taxable year which is equal to the
112 amount of the credit allowable for the taxable year.

113 8. In the case of a nonprofit corporation that ~~which~~ holds
114 a pari-mutuel permit and which is exempt from federal income tax
115 as a farmers' cooperative, an amount equal to the excess of the
116 gross income attributable to the pari-mutuel operations over the
117 attributable expenses for the taxable year.

118 9. The amount taken as a credit for the taxable year under
119 s. 220.1895.

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

123 11. The amount taken as a credit for the taxable year under
124 s. 220.1875. The addition in this subparagraph is intended to
125 ensure that the same amount is not allowed for the tax purposes
126 of this state as both a deduction from income and a credit



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127 against the tax. This addition is not intended to result in
128 adding the same expense back to income more than once.

129 12. The amount taken as a credit for the taxable year under
130 s. 220.192.

131 13. The amount taken as a credit for the taxable year under
132 s. 220.193.

133 14. Any portion of a qualified investment, as defined in s.
134 288.9913, which is claimed as a deduction by the taxpayer and
135 taken as a credit against income tax pursuant to s. 288.9916.

136 15. The costs to acquire a tax credit pursuant to s.
137 288.1254(5) which ~~that~~ are deducted from or otherwise reduce
138 federal taxable income for the taxable year.

139 16. The amount taken as a credit for the taxable year under
140 ~~pursuant to~~ s. 220.194.

141 17. The amount taken as a credit for the taxable year under
142 s. 220.196. The addition in this subparagraph is intended to
143 ensure that the same amount is not allowed for the tax purposes
144 of this state as both a deduction from income and a credit
145 against the tax. The addition is not intended to result in
146 adding the same expense back to income more than once.

147 18. The amount taken as a credit for the taxable year under
148 s. 220.197.

149 Section 4. Emergency rules.—

150 (1) The executive director of the Department of Revenue is
151 authorized, and all conditions are deemed to be met, to adopt
152 emergency rules pursuant to ss. 120.536(1) and 120.54(4),
153 Florida Statutes, for the purpose of implementing this act.

154 (2) Notwithstanding any other provision of law, the
155 emergency rules adopted pursuant to subsection (1) remain in



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156 effect for 6 months after adoption and may be renewed during the
157 pendency of procedures to adopt permanent rules addressing the
158 subject of the emergency rules.

159 (3) This section expires July 1, 2015.

160 Section 5. This act shall take effect July 1, 2014.

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163 ===== T I T L E A M E N D M E N T =====

164 And the title is amended as follows:

165 Delete everything before the enacting clause

166 and insert:

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A bill to be entitled

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An act relating to taxes on businesses; creating s.

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220.197, F.S.; providing a short title; establishing a

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tax credit for the hiring of veterans; providing

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eligibility requirements; establishing an additional

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credit for the hiring of disabled veterans; providing

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an application process; providing a cap on the total

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amount of tax credits allowed per year; authorizing

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the Department of Revenue to adopt rules; authorizing

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the department to establish guidelines for qualifying

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credits; providing for expiration of the tax credits;

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providing applicability; amending s. 220.02, F.S.;

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revising the order in which credits against the

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corporate income tax or franchise tax may be taken to

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include the hiring of veterans; amending s. 220.13,

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F.S.; revising the term "adjusted federal income" to

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include certain tax credits taken relating to the

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hiring of veterans; authorizing the executive director



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185 of the department to adopt emergency rules; providing
186 for time of effect of emergency rules and for the
187 expiration of such rule authority; providing an
188 effective date.