

By Senator Soto

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1 A bill to be entitled
2 An act relating to corporate income tax; creating s.
3 220.197, F.S.; providing a short title; establishing a
4 corporate income tax credit for the hiring of
5 veterans; providing eligibility requirements;
6 establishing an additional corporate income tax credit
7 for the hiring of disabled veterans; providing
8 eligibility requirements; authorizing the Department
9 of Revenue to adopt rules; authorizing the department
10 to determine guidelines for qualification of the tax
11 credits; providing for expiration of the tax credits;
12 amending s. 220.02, F.S.; revising the order in which
13 credits against the corporate income tax or franchise
14 tax may be taken to include the hiring of veterans;
15 amending s. 220.13, F.S.; redefining the term
16 "adjusted federal income" to include certain tax
17 credits taken relating to the hiring of veterans;
18 authorizing the executive director of the department
19 to adopt emergency rules; providing for time of effect
20 of emergency rules and for the expiration of such rule
21 authority; providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 220.197, Florida Statutes, is created to
26 read:

27 220.197 Corporate income tax credits for employment of
28 veterans.—

29 (1) This section may be cited as the "Florida Veterans

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30 Employment Act.”

31 (2) For tax years ending on or after December 31, 2013, a
32 business qualifies for a one-time corporate income tax credit
33 against the tax imposed by this chapter in the amount of \$5,000
34 per individual for hiring a veteran, as defined in s. 1.01,
35 after the business has paid \$5,000 in gross salary to the
36 veteran. Veterans for whom the credit is claimed must first
37 begin employment in the operations of the qualifying business on
38 or after July 1, 2013, and perform duties in connection with the
39 operations of the business on a full-time basis, which is deemed
40 to be for an average of at least 36 hours per week each month.
41 Veterans who have been previously employed by the qualifying
42 business or any other member of the same controlled group of
43 which the qualifying business is a member may not be claimed for
44 the credit.

45 (3) A qualifying business qualifies for an additional one-
46 time corporate income tax credit of \$5,000 per individual for
47 hiring a veteran, as defined in s. 1.01, after the business has
48 paid an additional \$5,000 in gross salary to a veteran who:

49 (a) Has established the present existence of a service-
50 connected disability, as defined in 38 U.S.C. s. 101(16), which
51 is compensable under public laws administered by the United
52 States Department of Veterans Affairs; or

53 (b) Is receiving disability retirement benefits from the
54 United States Department of Defense.

55 (4) The Department of Revenue may adopt rules governing the
56 manner and form of application for the tax credits. The
57 department may establish guidelines for making an affirmative
58 showing of qualification for the tax credits under this section.

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59 (5) This section expires June 30, 2019. However, a
60 qualifying business that is awarded a credit under this section
61 may carry forward any unused credit for up to 2 years after such
62 award.

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

65 220.02 Legislative intent.—

66 (8) It is the intent of the Legislature that credits
67 against ~~either~~ the corporate income tax or the franchise tax be
68 applied in the following order: those enumerated in s. 631.828,
69 those enumerated in s. 220.191, those enumerated in s. 220.181,
70 those enumerated in s. 220.183, those enumerated in s. 220.182,
71 those enumerated in s. 220.1895, those enumerated in s. 220.195,
72 those enumerated in s. 220.184, those enumerated in s. 220.186,
73 those enumerated in s. 220.1845, those enumerated in s. 220.19,
74 those enumerated in s. 220.185, those enumerated in s. 220.1875,
75 those enumerated in s. 220.192, those enumerated in s. 220.193,
76 those enumerated in s. 288.9916, those enumerated in s.
77 220.1899, those enumerated in s. 220.194, ~~and~~ those enumerated
78 in s. 220.196, and those enumerated in s. 220.197.

79 Section 3. Paragraph (a) of subsection (1) of section
80 220.13, Florida Statutes, is amended to read:

81 220.13 "Adjusted federal income" defined.—

82 (1) The term "adjusted federal income" means an amount
83 equal to the taxpayer's taxable income as defined in subsection
84 (2), or such taxable income of more than one taxpayer as
85 provided in s. 220.131, for the taxable year, adjusted as
86 follows:

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

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

93 2. The amount of interest which is excluded from taxable
94 income under s. 103(a) of the Internal Revenue Code or any other
95 federal law, less the associated expenses disallowed in the
96 computation of taxable income under s. 265 of the Internal
97 Revenue Code or any other law, excluding 60 percent of any
98 amounts included in alternative minimum taxable income, as
99 defined in s. 55(b)(2) of the Internal Revenue Code, if the
100 taxpayer pays tax under s. 220.11(3).

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

105 4. That portion of the wages or salaries paid or incurred
106 for the taxable year which is equal to the amount of the credit
107 allowable for the taxable year under s. 220.181. This
108 subparagraph expires ~~shall expire~~ on the date specified in s.
109 290.016 for the expiration of the Florida Enterprise Zone Act.

110 5. That portion of the ad valorem school taxes paid or
111 incurred for the taxable year which is equal to the amount of
112 the credit allowable for the taxable year under s. 220.182. This
113 subparagraph expires ~~shall expire~~ on the date specified in s.
114 290.016 for the expiration of the Florida Enterprise Zone Act.

115 6. The amount taken as a credit under s. 220.195 which is
116 deductible from gross income in the computation of taxable

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117 income for the taxable year.

118 7. That portion of assessments to fund a guaranty
119 association incurred for the taxable year which is equal to the
120 amount of the credit allowable for the taxable year.

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

126 9. The amount taken as a credit for the taxable year under
127 s. 220.1895.

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

131 11. The amount taken as a credit for the taxable year under
132 s. 220.1875. The addition in this subparagraph is intended to
133 ensure that the same amount is not allowed for the tax purposes
134 of this state as both a deduction from income and a credit
135 against the tax. This addition is not intended to result in
136 adding the same expense back to income more than once.

137 12. The amount taken as a credit for the taxable year under
138 s. 220.192.

139 13. The amount taken as a credit for the taxable year under
140 s. 220.193.

141 14. Any portion of a qualified investment, as defined in s.
142 288.9913, which is claimed as a deduction by the taxpayer and
143 taken as a credit against income tax pursuant to s. 288.9916.

144 15. The costs to acquire a tax credit pursuant to s.
145 288.1254(5) which ~~that~~ are deducted from or otherwise reduce

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146 federal taxable income for the taxable year.

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

149 17. The amount taken as a credit for the taxable year under
150 s. 220.196. The addition in this subparagraph is intended to
151 ensure that the same amount is not allowed for the tax purposes
152 of this state as both a deduction from income and a credit
153 against the tax. The addition is not intended to result in
154 adding the same expense back to income more than once.

155 18. The amount taken as a credit for the taxable year under
156 s. 220.197.

157 Section 4. Emergency rules.—

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

162 (2) Notwithstanding any other provision of law, the
163 emergency rules adopted pursuant to subsection (1) remain in
164 effect for 6 months after adoption and may be renewed during the
165 pendency of procedures to adopt permanent rules addressing the
166 subject of the emergency rules.

167 (3) This section expires 1 year after the effective date of
168 this act.

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