

By Senator Soto

14-01337-14

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1                   A bill to be entitled  
2           An act relating to a small business tax credit;  
3           creating s. 220.197, F.S.; defining the term "new  
4           small business"; providing a tax credit to new small  
5           businesses in a specified amount; requiring new small  
6           businesses to apply to the Department of Revenue for  
7           tax credit approval; providing application  
8           requirements; authorizing a new small business to  
9           reapply if an application is deemed insufficient;  
10          limiting the amount of tax credits that a new small  
11          business may receive; authorizing a new small business  
12          to use the remaining amount of tax credit that is  
13          greater than can be taken on a single tax return on  
14          future tax returns; providing an effective date.

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16 Be It Enacted by the Legislature of the State of Florida:

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

20           220.197 Small business tax credit.-

21           (1) As used in this section, the term "new small business"  
22 means a sole proprietorship, firm, partnership, or corporation  
23 located in this state that employs fewer than 15 employees and  
24 that has been in operation for 24 months or less.

25           (2) A new small business may apply for a tax credit under  
26 this section at any time, but only once during its first 24  
27 months of operation. The new small business shall receive a  
28 \$1,500 tax credit for each employee, which may be taken against  
29 the tax remitted under this chapter.

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30       (3) In order to claim a credit under this section, a new  
31 small business must apply to the department for approval. Each  
32 application for a credit must include all information required  
33 to verify the business's status as a new small business and any  
34 other information required by the department.

35       (4) If an application is deemed insufficient to support the  
36 credit authorized in this section, the department shall notify  
37 the business of the insufficiency. The business may reapply for  
38 the credit at any time after receiving such notice.

39       (5) A new small business may not receive tax credits under  
40 this section in excess of \$21,000.

41       (6) If the credit under this section is greater than can be  
42 taken on a single tax return, excess amounts may be taken as  
43 credits on any tax return submitted within 12 months after the  
44 approval of the application by the department.

45       Section 2. This act shall take effect July 1, 2014.