

1                                   A bill to be entitled  
 2           An act relating to the community contribution tax  
 3           credit; amending ss. 212.08, 220.183, and 624.5105,  
 4           F.S.; extending the expiration date applicable to the  
 5           granting of community contribution tax credits against  
 6           the sales and use tax, corporate income tax, and  
 7           insurance premium tax for contributions to eligible  
 8           sponsors of community projects approved by the  
 9           Department of Economic Opportunity; providing an  
 10          effective date.

11  
 12   Be It Enacted by the Legislature of the State of Florida:

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 14           Section 1. Paragraph (p) of subsection (5) of section  
 15   212.08, Florida Statutes, is amended to read:

16           212.08 Sales, rental, use, consumption, distribution, and  
 17   storage tax; specified exemptions.—The sale at retail, the  
 18   rental, the use, the consumption, the distribution, and the  
 19   storage to be used or consumed in this state of the following  
 20   are hereby specifically exempt from the tax imposed by this  
 21   chapter.

22           (5) EXEMPTIONS; ACCOUNT OF USE.—

23           (p) Community contribution tax credit for donations.—

24           1. Authorization.—Persons who are registered with the  
 25   department under s. 212.18 to collect or remit sales or use tax  
 26   and who make donations to eligible sponsors are eligible for tax

27 credits against their state sales and use tax liabilities as  
28 provided in this paragraph:

29 a. The credit shall be computed as 50 percent of the  
30 person's approved annual community contribution.

31 b. The credit shall be granted as a refund against state  
32 sales and use taxes reported on returns and remitted in the 12  
33 months preceding the date of application to the department for  
34 the credit as required in sub-subparagraph 3.c. If the annual  
35 credit is not fully used through such refund because of  
36 insufficient tax payments during the applicable 12-month period,  
37 the unused amount may be included in an application for a refund  
38 made pursuant to sub-subparagraph 3.c. in subsequent years  
39 against the total tax payments made for such year. Carryover  
40 credits may be applied for a 3-year period without regard to any  
41 time limitation that would otherwise apply under s. 215.26.

42 c. A person may not receive more than \$200,000 in annual  
43 tax credits for all approved community contributions made in any  
44 one year.

45 d. All proposals for the granting of the tax credit  
46 require the prior approval of the Department of Economic  
47 Opportunity.

48 e. The total amount of tax credits which may be granted  
49 for all programs approved under this paragraph, s. 220.183, and  
50 s. 624.5105 is \$10.5 million annually for projects that provide  
51 homeownership opportunities for low-income or very-low-income  
52 households as defined in s. 420.9071(19) and (28) and \$3.5

53 million annually for all other projects.

54 f. A person who is eligible to receive the credit provided  
55 for in this paragraph, s. 220.183, or s. 624.5105 may receive  
56 the credit only under the one section of the person's choice.

57 2. Eligibility requirements.—

58 a. A community contribution by a person must be in the  
59 following form:

60 (I) Cash or other liquid assets;

61 (II) Real property;

62 (III) Goods or inventory; or

63 (IV) Other physical resources as identified by the  
64 Department of Economic Opportunity.

65 b. All community contributions must be reserved  
66 exclusively for use in a project. As used in this sub-  
67 subparagraph, the term "project" means any activity undertaken  
68 by an eligible sponsor which is designed to construct, improve,  
69 or substantially rehabilitate housing that is affordable to low-  
70 income or very-low-income households as defined in s.  
71 420.9071(19) and (28); designed to provide commercial,  
72 industrial, or public resources and facilities; or designed to  
73 improve entrepreneurial and job-development opportunities for  
74 low-income persons. A project may be the investment necessary to  
75 increase access to high-speed broadband capability in rural  
76 communities with enterprise zones, including projects that  
77 result in improvements to communications assets that are owned  
78 by a business. A project may include the provision of museum

79 educational programs and materials that are directly related to  
80 any project approved between January 1, 1996, and December 31,  
81 1999, and located in an enterprise zone designated pursuant to  
82 s. 290.0065. This paragraph does not preclude projects that  
83 propose to construct or rehabilitate housing for low-income or  
84 very-low-income households on scattered sites. With respect to  
85 housing, contributions may be used to pay the following eligible  
86 low-income and very-low-income housing-related activities:

87 (I) Project development impact and management fees for  
88 low-income or very-low-income housing projects;

89 (II) Down payment and closing costs for eligible persons,  
90 as defined in s. 420.9071(19) and (28);

91 (III) Administrative costs, including housing counseling  
92 and marketing fees, not to exceed 10 percent of the community  
93 contribution, directly related to low-income or very-low-income  
94 projects; and

95 (IV) Removal of liens recorded against residential  
96 property by municipal, county, or special district local  
97 governments when satisfaction of the lien is a necessary  
98 precedent to the transfer of the property to an eligible person,  
99 as defined in s. 420.9071(19) and (28), for the purpose of  
100 promoting home ownership. Contributions for lien removal must be  
101 received from a nonrelated third party.

102 c. The project must be undertaken by an "eligible  
103 sponsor," which includes:

104 (I) A community action program;

- 105 (II) A nonprofit community-based development organization  
 106 whose mission is the provision of housing for low-income or  
 107 very-low-income households or increasing entrepreneurial and  
 108 job-development opportunities for low-income persons;
- 109 (III) A neighborhood housing services corporation;
- 110 (IV) A local housing authority created under chapter 421;
- 111 (V) A community redevelopment agency created under s.  
 112 163.356;
- 113 (VI) A historic preservation district agency or  
 114 organization;
- 115 (VII) A regional workforce board;
- 116 (VIII) A direct-support organization as provided in s.  
 117 1009.983;
- 118 (IX) An enterprise zone development agency created under  
 119 s. 290.0056;
- 120 (X) A community-based organization incorporated under  
 121 chapter 617 which is recognized as educational, charitable, or  
 122 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code  
 123 and whose bylaws and articles of incorporation include  
 124 affordable housing, economic development, or community  
 125 development as the primary mission of the corporation;
- 126 (XI) Units of local government;
- 127 (XII) Units of state government; or
- 128 (XIII) Any other agency that the Department of Economic  
 129 Opportunity designates by rule.

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131 In no event may a contributing person have a financial interest  
132 in the eligible sponsor.

133 d. The project must be located in an area designated an  
134 enterprise zone or a Front Porch Florida Community, unless the  
135 project increases access to high-speed broadband capability for  
136 rural communities with enterprise zones but is physically  
137 located outside the designated rural zone boundaries. Any  
138 project designed to construct or rehabilitate housing for low-  
139 income or very-low-income households as defined in s.  
140 420.9071(19) and (28) is exempt from the area requirement of  
141 this sub-subparagraph.

142 e.(I) If, during the first 10 business days of the state  
143 fiscal year, eligible tax credit applications for projects that  
144 provide homeownership opportunities for low-income or very-low-  
145 income households as defined in s. 420.9071(19) and (28) are  
146 received for less than the annual tax credits available for  
147 those projects, the Department of Economic Opportunity shall  
148 grant tax credits for those applications and shall grant  
149 remaining tax credits on a first-come, first-served basis for  
150 any subsequent eligible applications received before the end of  
151 the state fiscal year. If, during the first 10 business days of  
152 the state fiscal year, eligible tax credit applications for  
153 projects that provide homeownership opportunities for low-income  
154 or very-low-income households as defined in s. 420.9071(19) and  
155 (28) are received for more than the annual tax credits available  
156 for those projects, the Department of Economic Opportunity shall

157 grant the tax credits for those applications as follows:

158 (A) If tax credit applications submitted for approved  
159 projects of an eligible sponsor do not exceed \$200,000 in total,  
160 the credits shall be granted in full if the tax credit  
161 applications are approved.

162 (B) If tax credit applications submitted for approved  
163 projects of an eligible sponsor exceed \$200,000 in total, the  
164 amount of tax credits granted pursuant to sub-sub-sub-  
165 subparagraph (A) shall be subtracted from the amount of  
166 available tax credits, and the remaining credits shall be  
167 granted to each approved tax credit application on a pro rata  
168 basis.

169 (II) If, during the first 10 business days of the state  
170 fiscal year, eligible tax credit applications for projects other  
171 than those that provide homeownership opportunities for low-  
172 income or very-low-income households as defined in s.  
173 420.9071(19) and (28) are received for less than the annual tax  
174 credits available for those projects, the Department of Economic  
175 Opportunity shall grant tax credits for those applications and  
176 shall grant remaining tax credits on a first-come, first-served  
177 basis for any subsequent eligible applications received before  
178 the end of the state fiscal year. If, during the first 10  
179 business days of the state fiscal year, eligible tax credit  
180 applications for projects other than those that provide  
181 homeownership opportunities for low-income or very-low-income  
182 households as defined in s. 420.9071(19) and (28) are received

183 for more than the annual tax credits available for those  
184 projects, the Department of Economic Opportunity shall grant the  
185 tax credits for those applications on a pro rata basis.

186 3. Application requirements.—

187 a. Any eligible sponsor seeking to participate in this  
188 program must submit a proposal to the Department of Economic  
189 Opportunity which sets forth the name of the sponsor, a  
190 description of the project, and the area in which the project is  
191 located, together with such supporting information as is  
192 prescribed by rule. The proposal must also contain a resolution  
193 from the local governmental unit in which the project is located  
194 certifying that the project is consistent with local plans and  
195 regulations.

196 b. Any person seeking to participate in this program must  
197 submit an application for tax credit to the Department of  
198 Economic Opportunity which sets forth the name of the sponsor, a  
199 description of the project, and the type, value, and purpose of  
200 the contribution. The sponsor shall verify the terms of the  
201 application and indicate its receipt of the contribution, which  
202 verification must be in writing and accompany the application  
203 for tax credit. The person must submit a separate tax credit  
204 application to the Department of Economic Opportunity for each  
205 individual contribution that it makes to each individual  
206 project.

207 c. Any person who has received notification from the  
208 Department of Economic Opportunity that a tax credit has been



209 approved must apply to the department to receive the refund.  
 210 Application must be made on the form prescribed for claiming  
 211 refunds of sales and use taxes and be accompanied by a copy of  
 212 the notification. A person may submit only one application for  
 213 refund to the department within any 12-month period.

214 4. Administration.—

215 a. The Department of Economic Opportunity may adopt rules  
 216 pursuant to ss. 120.536(1) and 120.54 necessary to administer  
 217 this paragraph, including rules for the approval or disapproval  
 218 of proposals by a person.

219 b. The decision of the Department of Economic Opportunity  
 220 must be in writing, and, if approved, the notification shall  
 221 state the maximum credit allowable to the person. Upon approval,  
 222 the Department of Economic Opportunity shall transmit a copy of  
 223 the decision to the Department of Revenue.

224 c. The Department of Economic Opportunity shall  
 225 periodically monitor all projects in a manner consistent with  
 226 available resources to ensure that resources are used in  
 227 accordance with this paragraph; however, each project must be  
 228 reviewed at least once every 2 years.

229 d. The Department of Economic Opportunity shall, in  
 230 consultation with the statewide and regional housing and  
 231 financial intermediaries, market the availability of the  
 232 community contribution tax credit program to community-based  
 233 organizations.

234 5. Expiration.—This paragraph expires June 30, 2025 ~~2015~~;

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235 however, any accrued credit carryover that is unused on that  
236 date may be used until the expiration of the 3-year carryover  
237 period for such credit.

238 Section 2. Subsection (5) of section 220.183, Florida  
239 Statutes, is amended to read:

240 220.183 Community contribution tax credit.—

241 (5) EXPIRATION.—The provisions of this section, except  
242 paragraph (1)(e), shall expire and be void on June 30, 2025  
243 ~~2015~~.

244 Section 3. Subsection (6) of section 624.5105, Florida  
245 Statutes, is amended to read:

246 624.5105 Community contribution tax credit; authorization;  
247 limitations; eligibility and application requirements;  
248 administration; definitions; expiration.—

249 (6) EXPIRATION.—The provisions of this section, except  
250 paragraph (1)(e), shall expire and be void on June 30, 2025  
251 ~~2015~~.

252 Section 4. This act shall take effect July 1, 2015.