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2021 Legislature

1
2 An act relating to home book delivery for elementary
3 students; providing legislative findings; creating ss.
4 211.0252 and 212.1833, F.S.; providing credits against
5 oil and gas production taxes and sales taxes payable
6 by direct pay permitholders, respectively, under the
7 New Worlds Reading Initiative Tax Credit; specifying
8 requirements and procedures for, and limitations on,
9 the credits; amending s. 220.02, F.S.; revising the
10 order in which tax credits against the corporate
11 income tax credit or the franchise tax are applied;
12 amending s. 220.13, F.S.; revising the definition of
13 the term "adjusted federal income"; amending s.
14 220.186, F.S.; revising the calculation of the
15 corporate income tax credit for the Florida
16 alternative minimum tax; creating s. 220.1876, F.S.;
17 providing a credit against the corporate income tax
18 under the New Worlds Reading Initiative Tax Credit;
19 specifying requirements and procedures for, and
20 limitations on, the credit; creating ss. 561.1212 and
21 624.51056, F.S.; providing credits against excise
22 taxes on certain alcoholic beverages and the insurance
23 premium tax, respectively, under the New Worlds
24 Initiative Tax Credit; specifying requirements and
25 procedures for, and limitations on, the credits;

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26 | creating s. 1003.485 F.S.; providing definitions;
27 | establishing the New Worlds Reading Initiative under
28 | the Department of Education; requiring the department
29 | to contract with a state university to administer the
30 | initiative; providing duties of the department and
31 | administrator; requiring the administrator, in
32 | consultation with a specified entity, to develop a
33 | selection of books; requiring the administrator to
34 | facilitate distribution of books; requiring the
35 | administrator to assist with local implementation of
36 | the initiative; requiring the administrator to
37 | maintain a clearinghouse of specified information;
38 | requiring the administrator to develop and disseminate
39 | certain training materials by specified means;
40 | requiring the administrator to annually submit an
41 | audit report; requiring the administrator to maintain
42 | specified accounts for program funds; providing
43 | spending requirements; requiring the administrator to
44 | provide a certificate of contribution in certain
45 | circumstances; establishing reporting requirements;
46 | establishing a tax credit cap amount; authorizing a
47 | taxpayer to apply for a tax credit; providing
48 | requirements for the application; specifying a
49 | limitation on, and application procedures for, the tax
50 | credit; specifying requirements and procedures for,

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51 and restrictions on, the carryforward, conveyance,
52 transfer, assignment, and rescindment of credits;
53 specifying requirements and procedures for the
54 Department of Revenue; establishing student
55 eligibility requirements; requiring school districts
56 to identify eligible students and notify parents;
57 requiring school districts to coordinate with the
58 administrator to initiate book delivery; providing
59 requirements for book delivery; requiring that
60 students be offered certain options relating to books;
61 specifying when student eligibility ends; requiring
62 school districts raise awareness of the initiative;
63 authorizing the Department of Revenue, the Division of
64 Alcoholic Beverages and Tobacco of the Department of
65 Business and Professional Regulation, and the
66 Department of Education to develop a cooperative
67 agreement and adopt rules; amending s. 1008.25, F.S.;
68 requiring that a certain notification include
69 information about the initiative; authorizing the
70 Department of Revenue to adopt emergency rules;
71 providing an effective date.

72
73 Be It Enacted by the Legislature of the State of Florida:

74
75 Section 1. The Legislature finds that the ability to read

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76 | is fundamental to a productive, fulfilling, culturally
77 | rewarding, and civically engaged life. Furthermore, a literacy-
78 | rich home environment helps develop reading and writing skills
79 | in young learners to prepare them for future academic and career
80 | success. Research shows that students who read more perform
81 | better academically than those who do not. Unfortunately,
82 | statistics show students who have fewer books and literacy-based
83 | interactions at home than their peers have lower educational
84 | attainment and lifetime income-earning potential. Programs that
85 | deliver books directly to students' homes and support engagement
86 | in reading enable parents to develop their child's reading
87 | skills and enjoyment of reading and foster improved outcomes for
88 | students.

89 | Section 2. Section 211.0252, Florida Statutes, is created
90 | to read:

91 | 211.0252 Credit for contributions to the New Worlds
92 | Reading Initiative.—Beginning January 1, 2022, there is allowed
93 | a credit of 100 percent of an eligible contribution made to the
94 | New Worlds Reading Initiative under s. 1003.485 against any tax
95 | due under s. 211.02 or s. 211.025. However, the combined credit
96 | allowed under this section and s. 211.0251 may not exceed 50
97 | percent of the tax due on the return on which the credit is
98 | taken. If the combined credit allowed under this section and s.
99 | 211.0251 exceeds 50 percent of the tax due on the return, the
100 | credit must first be taken under s. 211.0251. Any remaining

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101 liability must be taken under this section, but may not exceed
102 50 percent of the tax due. For purposes of the distributions of
103 tax revenue under s. 211.06, the department shall disregard any
104 tax credits allowed under this section to ensure that any
105 reduction in tax revenue received which is attributable to the
106 tax credits results only in a reduction in distributions to the
107 General Revenue Fund. Section 1003.485 applies to the credit
108 authorized by this section.

109 Section 3. Section 212.1833, Florida Statutes, is created
110 to read:

111 212.1833 Credit for contributions to the New Worlds
112 Reading Initiative.—Beginning January 1, 2022, there is allowed
113 a credit of 100 percent of an eligible contribution made to the
114 New Worlds Reading Initiative under s. 1003.485 against any tax
115 imposed by the state and due under this chapter from a direct
116 pay permitholder as a result of the direct pay permit held
117 pursuant to s. 212.183. For purposes of the dealer's credit
118 granted for keeping prescribed records, filing timely tax
119 returns, and properly accounting and remitting taxes under s.
120 212.12, the amount of tax due used to calculate the credit shall
121 include any eligible contribution made to the New Worlds Reading
122 Initiative from a direct pay permitholder. For purposes of the
123 distributions of tax revenue under s. 212.20, the department
124 shall disregard any tax credits allowed under this section to
125 ensure that any reduction in tax revenue received which is

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126 attributable to the tax credits results only in a reduction in
 127 distributions to the General Revenue Fund. Section 1003.485
 128 applies to the credit authorized by this section. A dealer who
 129 claims a tax credit under this section must file his or her tax
 130 returns and pay his or her taxes by electronic means under s.
 131 213.755.

132 Section 4. Subsection (8) of section 220.02, Florida
 133 Statutes, is amended to read:

134 220.02 Legislative intent.—

135 (8) It is the intent of the Legislature that credits
 136 against either the corporate income tax or the franchise tax be
 137 applied in the following order: those enumerated in s. 631.828,
 138 those enumerated in s. 220.191, those enumerated in s. 220.181,
 139 those enumerated in s. 220.183, those enumerated in s. 220.182,
 140 those enumerated in s. 220.1895, those enumerated in s. 220.195,
 141 those enumerated in s. 220.184, those enumerated in s. 220.186,
 142 those enumerated in s. 220.1845, those enumerated in s. 220.19,
 143 those enumerated in s. 220.185, those enumerated in s. 220.1875,
 144 those enumerated in s. 220.1876, those enumerated in s. 220.193,
 145 those enumerated in s. 288.9916, those enumerated in s.
 146 220.1899, those enumerated in s. 220.194, and those enumerated
 147 in s. 220.196.

148 Section 5. Paragraph (a) of subsection (1) of section
 149 220.13, Florida Statutes, is amended to read:

150 220.13 "Adjusted federal income" defined.—

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151 (1) The term "adjusted federal income" means an amount
152 equal to the taxpayer's taxable income as defined in subsection
153 (2), or such taxable income of more than one taxpayer as
154 provided in s. 220.131, for the taxable year, adjusted as
155 follows:

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

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

163 b. Notwithstanding sub-subparagraph a., if a credit taken
164 under s. 220.1875 or s. 220.1876 is added to taxable income in a
165 previous taxable year under subparagraph 11. and is taken as a
166 deduction for federal tax purposes in the current taxable year,
167 the amount of the deduction allowed shall not be added to
168 taxable income in the current year. The exception in this sub-
169 subparagraph is intended to ensure that the credit under s.
170 220.1875 or s. 220.1876 is added in the applicable taxable year
171 and does not result in a duplicate addition in a subsequent
172 year.

173 2. The amount of interest which is excluded from taxable
174 income under s. 103(a) of the Internal Revenue Code or any other
175 federal law, less the associated expenses disallowed in the

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176 computation of taxable income under s. 265 of the Internal
 177 Revenue Code or any other law, excluding 60 percent of any
 178 amounts included in alternative minimum taxable income, as
 179 defined in s. 55(b)(2) of the Internal Revenue Code, if the
 180 taxpayer pays tax under s. 220.11(3).

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

185 4. That portion of the wages or salaries paid or incurred
 186 for the taxable year which is equal to the amount of the credit
 187 allowable for the taxable year under s. 220.181. This
 188 subparagraph shall expire on the date specified in s. 290.016
 189 for the expiration of the Florida Enterprise Zone Act.

190 5. That portion of the ad valorem school taxes paid or
 191 incurred for the taxable year which is equal to the amount of
 192 the credit allowable for the taxable year under s. 220.182. This
 193 subparagraph shall expire on the date specified in s. 290.016
 194 for the expiration of the Florida Enterprise Zone Act.

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

198 7. That portion of assessments to fund a guaranty
 199 association incurred for the taxable year which is equal to the
 200 amount of the credit allowable for the taxable year.

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201 8. In the case of a nonprofit corporation which holds a
 202 pari-mutuel permit and which is exempt from federal income tax
 203 as a farmers' cooperative, an amount equal to the excess of the
 204 gross income attributable to the pari-mutuel operations over the
 205 attributable expenses for the taxable year.

206 9. The amount taken as a credit for the taxable year under
 207 s. 220.1895.

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

211 11. Any ~~The~~ amount taken as a credit for the taxable year
 212 under s. 220.1875 or s. 220.1876. The addition in this
 213 subparagraph is intended to ensure that the same amount is not
 214 allowed for the tax purposes of this state as both a deduction
 215 from income and a credit against the tax. This addition is not
 216 intended to result in adding the same expense back to income
 217 more than once.

218 12. The amount taken as a credit for the taxable year
 219 under s. 220.193.

220 13. Any portion of a qualified investment, as defined in
 221 s. 288.9913, which is claimed as a deduction by the taxpayer and
 222 taken as a credit against income tax pursuant to s. 288.9916.

223 14. The costs to acquire a tax credit pursuant to s.
 224 288.1254(5) that are deducted from or otherwise reduce federal
 225 taxable income for the taxable year.

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226 15. The amount taken as a credit for the taxable year
 227 pursuant to s. 220.194.

228 16. The amount taken as a credit for the taxable year
 229 under s. 220.196. The addition in this subparagraph is intended
 230 to ensure that the same amount is not allowed for the tax
 231 purposes of this state as both a deduction from income and a
 232 credit against the tax. The addition is not intended to result
 233 in adding the same expense back to income more than once.

234 Section 6. Subsection (2) of section 220.186, Florida
 235 Statutes, is amended to read:

236 220.186 Credit for Florida alternative minimum tax.—

237 (2) The credit pursuant to this section shall be the
 238 amount of the excess, if any, of the tax paid based upon taxable
 239 income determined pursuant to s. 220.13(2)(k) over the amount of
 240 tax which would have been due based upon taxable income without
 241 application of s. 220.13(2)(k), before application of this
 242 credit without application of any credit under s. 220.1875 or s.
 243 220.1876.

244 Section 7. Section 220.1876, Florida Statutes, is created
 245 to read:

246 220.1876 Credit for contributions to the New Worlds
 247 Reading Initiative.—

248 (1) For taxable years beginning on or after January 1,
 249 2022, there is allowed a credit of 100 percent of an eligible
 250 contribution made to the New Worlds Reading Initiative under s.

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251 1003.485 against any tax due for a taxable year under this
252 chapter after the application of any other allowable credits by
253 the taxpayer. An eligible contribution must be made to the New
254 Worlds Reading Initiative on or before the date the taxpayer is
255 required to file a return pursuant to s. 220.222. The credit
256 granted by this section shall be reduced by the difference
257 between the amount of federal corporate income tax, taking into
258 account the credit granted by this section, and the amount of
259 federal corporate income tax without application of the credit
260 granted by this section.

261 (2) A taxpayer who files a Florida consolidated return as
262 a member of an affiliated group pursuant to s. 220.131(1) may be
263 allowed the credit on a consolidated return basis; however, the
264 total credit taken by the affiliated group is subject to the
265 limitation established under subsection (1).

266 (3) Section 1003.485 applies to the credit authorized by
267 this section.

268 (4) If a taxpayer applies and is approved for a credit
269 under s. 1003.485 after timely requesting an extension to file
270 under s. 220.222(2):

271 (a) The credit does not reduce the amount of tax due for
272 purposes of the department's determination as to whether the
273 taxpayer was in compliance with the requirement to pay tentative
274 taxes under ss. 220.222 and 220.32.

275 (b) The taxpayer's noncompliance with the requirement to

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276 pay tentative taxes shall result in the revocation and
277 rescindment of any such credit.

278 (c) The taxpayer shall be assessed for any taxes,
279 penalties, or interest due from the taxpayer's noncompliance
280 with the requirement to pay tentative taxes.

281 Section 8. Section 561.1212, Florida Statutes, is created
282 to read:

283 561.1212 Credit for contributions to the New Worlds
284 Reading Initiative.—Beginning January 1, 2022, there is allowed
285 a credit of 100 percent of an eligible contribution made to the
286 New Worlds Reading Initiative under s. 1003.485 against any tax
287 due under s. 563.05, s. 564.06, or s. 565.12, except excise
288 taxes imposed on wine produced by manufacturers in this state
289 from products grown in this state. However, a credit allowed
290 under this section may not exceed 90 percent of the tax due on
291 the return on which the credit is taken. For purposes of the
292 distributions of tax revenue under ss. 561.121 and 564.06(10),
293 the division shall disregard any tax credits allowed under this
294 section to ensure that any reduction in tax revenue received
295 which is attributable to the tax credits results only in a
296 reduction in distributions to the General Revenue Fund. The
297 provisions of s. 1003.485 apply to the credit authorized by this
298 section.

299 Section 9. Section 624.51056, Florida Statutes, is created
300 to read:

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301 624.51056 Credit for contributions to the New Worlds
 302 Reading Initiative.—

303 (1) For taxable years beginning on or after January 1,
 304 2022, there is allowed a credit of 100 percent of an eligible
 305 contribution made to the New Worlds Reading Initiative under s.
 306 1003.485 against any tax due for a taxable year under s.
 307 624.509(1) after deducting from such tax deductions for
 308 assessments made pursuant to s. 440.51, credits for taxes paid
 309 under ss. 175.101 and 185.08, credits for income taxes paid
 310 under chapter 220, and the credit allowed under s. 624.509(5),
 311 as such credit is limited by s. 624.509(6). An eligible
 312 contribution must be made to the New Worlds Reading Initiative
 313 on or before the date the taxpayer is required to file a return
 314 pursuant to ss. 624.509 and 624.5092. An insurer claiming a
 315 credit against premium tax liability under this section is not
 316 required to pay any additional retaliatory tax levied under s.
 317 624.5091 as a result of claiming such credit. Section 624.5091
 318 does not limit such credit in any manner.

319 (2) Section 1003.485 applies to the credit authorized by
 320 this section.

321 Section 10. Section 1003.485, Florida Statutes, is created
 322 to read:

323 1003.485 The New Worlds Reading Initiative.—

324 (1) DEFINITIONS.—As used in this section, the term:

325 (a) "Administrator" means a state university registered

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326 with the department under s. 1002.395(15)(i) and designated to
327 administer the initiative under paragraph (2)(a).

328 (b) "Annual tax credit amount" means, for any state fiscal
329 year, the sum of the amount of tax credits approved under
330 paragraph (3)(b), including tax credits to be taken under s.
331 211.0252, s. 212.1833, s. 220.1876, s. 561.1212, or s.
332 624.51056, which are approved for taxpayers whose taxable years
333 begin on or after January 1 of the calendar year preceding the
334 start of the applicable state fiscal year.

335 (c) "Department" means the Department of Education.

336 (d) "Division" means the Division of Alcoholic Beverages
337 and Tobacco of the Department of Business and Professional
338 Regulation.

339 (e) "Eligible contribution" means a monetary contribution
340 from a taxpayer, subject to the restrictions provided in this
341 section, to the administrator.

342 (f) "Initiative" means the New Worlds Reading Initiative.

343 (2) NEW WORLDS READING INITIATIVE; ADMINISTRATION.—The New
344 Worlds Reading Initiative is established under the department to
345 improve literacy skills and instill a love of reading by
346 providing high-quality, free books to students in kindergarten
347 through grade 5 who are reading below grade level.

348 (a) The department shall:

349 1. Designate an administrator to implement the initiative
350 and to receive funding as provided in this section. The

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351 administrator must have an academic innovation institution with
352 extensive experience in:

353 a. Conducting academic research in early literacy
354 instruction.

355 b. Implementing online delivery of early learning and
356 literacy training for educators nationally.

357 c. Developing online support materials that assist parents
358 and caregivers in developing early literacy skills.

359 d. Conducting fundraising and public awareness campaigns
360 to support the development and growth of evidence-based
361 educational initiatives that support learning at home and in
362 schools.

363 2. Publish information about the initiative and tax
364 credits under subsection (3) on its website, including the
365 process for a taxpayer to select the administrator as the
366 recipient of funding through a tax credit.

367 3. Beginning September 30, 2022, and annually thereafter,
368 report on its website the number of students participating in
369 the initiative in each school district, information from the
370 annual financial report under subparagraph (b)6., and the
371 academic achievement and learning gains, as applicable, of
372 participating students based on data provided by school
373 districts as permitted under s. 1002.22. The department shall
374 establish a date by which the administrator and each school
375 district must annually provide the data necessary to complete

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376 | the report.

377 | (b) The administrator shall:

378 | 1. Develop, in consultation with the Just Read, Florida!
379 | Office under s. 1001.215, a selection of high-quality books
380 | encompassing diverse subjects and genres for each grade level to
381 | be mailed to students in the initiative.

382 | 2. Distribute books at no cost to students as provided in
383 | paragraph (4) (c) either directly or through an agreement with a
384 | book distribution company.

385 | 3. Assist local implementation of the initiative by
386 | providing marketing materials to school districts and any
387 | partnering nonprofit organizations to assist with public
388 | awareness campaigns and other activities designed to increase
389 | family engagement and instill a love of reading in students.

390 | 4. Maintain a clearinghouse for information on national,
391 | state, and local nonprofit organizations that support efforts to
392 | improve literacy and provide books to children.

393 | 5. Develop training materials for parents of students in
394 | the initiative, including brief video training modules, which
395 | engage families in reading and assist with improving student
396 | literacy skills. The administrator shall periodically send, via
397 | text message and e-mail, tips for facilitating reading at home
398 | and hyperlinks to the video training modules.

399 | 6. Annually submit to the department an annual financial
400 | report that includes, at a minimum, the amount of eligible

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401 contributions received by the administrator; the amount spent on
 402 each activity required by this paragraph, including
 403 administrative expenses; and the number of students and
 404 households served under the initiative.

405 7. Maintain separate accounts for operating funds and
 406 funds for the purchase and delivery of books.

407 8. Expend eligible contributions received only for the
 408 purchase and delivery of books and to implement the requirements
 409 of this section, as well as for administrative expenses not to
 410 exceed 2 percent of total eligible contributions.

411 Notwithstanding s. 1002.395(6)(j)2., the administrator may carry
 412 forward up to 25 percent of eligible contributions to the
 413 following state fiscal year for purposes authorized by this
 414 subsection. Any eligible contributions in excess of the 25
 415 percent carry forward not used to provide additional books
 416 throughout the year to eligible students shall revert to the
 417 state treasury.

418 9. Upon receipt of a contribution, provide the taxpayer
 419 that made the contribution with a certificate of contribution. A
 420 certificate of contribution must include the taxpayer's name
 421 and, if available, its federal employer identification number,
 422 the amount contributed, the date of contribution, and the name
 423 of the administrator.

424 (3) NEW WORLDS READING INITIATIVE TAX CREDITS;
 425 APPLICATIONS, TRANSFERS, AND LIMITATIONS.—

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426 (a) The tax credit cap amount is \$10 million for the 2021-
427 2022 state fiscal year, \$30 million for the 2022-2023 state
428 fiscal year, and \$50 million in each state fiscal year
429 thereafter.

430 (b) Beginning October 1, 2021, a taxpayer may submit an
431 application to the Department of Revenue for a tax credit or
432 credits to be taken under one or more of s. 211.0252, s.
433 212.1833, s. 220.1876, s. 561.1212, or s. 624.51056.

434 1. The taxpayer shall specify in the application each tax
435 for which the taxpayer requests a credit and the applicable
436 taxable year for a credit under s. 220.1876 or s. 624.51056 or
437 the applicable state fiscal year for a credit under s. 211.0252,
438 s. 212.1833, or s. 561.1212. For purposes of s. 220.1876, a
439 taxpayer may apply for a credit to be used for a prior taxable
440 year before the date the taxpayer is required to file a return
441 for that year pursuant to s. 220.222. For purposes of s.
442 624.51056, a taxpayer may apply for a credit to be used for a
443 prior taxable year before the date the taxpayer is required to
444 file a return for that prior taxable year pursuant to ss.
445 624.509 and 624.5092. The Department of Revenue shall approve
446 tax credits on a first-come, first-served basis and must obtain
447 the division's approval before approving a tax credit under s.
448 561.1212.

449 2. Within 10 days after approving or denying an
450 application, the Department of Revenue shall provide a copy of

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451 its approval or denial letter to the administrator.

452 (c) If a tax credit approved under paragraph (b) is not
453 fully used within the specified state fiscal year for credits
454 under s. 211.0252, s. 212.1833, or s. 561.1212 or against taxes
455 due for the specified taxable year for credits under s. 220.1876
456 or s. 624.51056 because of insufficient tax liability on the
457 part of the taxpayer, the unused amount must be carried forward
458 for a period not to exceed 10 years. For purposes of s.
459 220.1876, a credit carried forward may be used in a subsequent
460 year after applying the other credits and unused carryovers in
461 the order provided in s. 220.02(8).

462 (d) A taxpayer may not convey, transfer, or assign an
463 approved tax credit or a carryforward tax credit to another
464 entity unless all of the assets of the taxpayer are conveyed,
465 assigned, or transferred in the same transaction. However, a tax
466 credit under s. 211.0252, s. 212.1833, s. 220.1876, s. 561.1212,
467 or s. 624.51056 may be conveyed, transferred, or assigned
468 between members of an affiliated group of corporations if the
469 type of tax credit under s. 211.0252, s. 212.1833, s. 220.1876,
470 s. 561.1212, or s. 624.51056 remains the same. A taxpayer shall
471 notify the Department of Revenue of its intent to convey,
472 transfer, or assign a tax credit to another member within an
473 affiliated group of corporations. The amount conveyed,
474 transferred, or assigned is available to another member of the
475 affiliated group of corporations upon approval by the Department

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476 of Revenue. The Department of Revenue shall obtain the
477 division's approval before approving a conveyance, transfer, or
478 assignment of a tax credit under s. 561.1212.

479 (e) Within any state fiscal year, a taxpayer may rescind
480 all or part of a tax credit approved under paragraph (b). The
481 amount rescinded shall become available for that state fiscal
482 year to another eligible taxpayer approved by the Department of
483 Revenue if the taxpayer receives notice from the Department of
484 Revenue that the rescindment has been accepted by the Department
485 of Revenue. The Department of Revenue must obtain the division's
486 approval before accepting the rescindment of a tax credit under
487 s. 561.1212. Any amount rescinded under this paragraph must
488 become available to an eligible taxpayer on a first-come, first-
489 served basis based on tax credit applications received after the
490 date the rescindment is accepted by the Department of Revenue.

491 (f) Within 10 days after approving or denying the
492 conveyance, transfer, or assignment of a tax credit under
493 paragraph (d), or the rescindment of a tax credit under
494 paragraph (e), the Department of Revenue shall provide a copy of
495 its approval or denial letter to the administrator. The
496 Department of Revenue shall also include the administrator on
497 all letters or correspondence of acknowledgment for tax credits
498 under s. 212.1833.

499 (g) For purposes of calculating the underpayment of
500 estimated corporate income taxes under s. 220.34 and tax

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501 installment payments for taxes on insurance premiums or
502 assessments under s. 624.5092, the final amount due is the
503 amount after credits earned under s. 220.1876 or s. 624.51056
504 for contributions to the administrator are deducted.

505 1. For purposes of determining if a penalty or interest
506 under s. 220.34(2)(d)1. will be imposed for underpayment of
507 estimated corporate income tax, a taxpayer may, after earning a
508 credit under s. 220.1876, reduce any estimated payment in that
509 taxable year by the amount of the credit.

510 2. For purposes of determining if a penalty under s.
511 624.5092 will be imposed, an insurer, after earning a credit
512 under s. 624.51056 for a taxable year, may reduce any
513 installment payment for such taxable year of 27 percent of the
514 amount of the net tax due as reported on the return for the
515 preceding year under s. 624.5092(2)(b) by the amount of the
516 credit.

517 (4) ELIGIBILITY; NOTIFICATION; SCHOOL DISTRICT
518 OBLIGATIONS.—

519 (a) A student in kindergarten through grade 5 must be
520 provided books through the initiative if the student has a
521 substantial reading deficiency identified under s. 1008.25(5)(a)
522 or scored below a Level 3 on the preceding year's statewide,
523 standardized English Language Arts assessment under s. 1008.22.

524 (b) Each school district shall notify the parent of a
525 student who meets the criteria under paragraph (a) that the

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526 student is eligible to receive books at no cost through the New
527 Worlds Reading Initiative and provide the parent with the
528 application form developed by the administrator, which must
529 allow for the selection of specific book topics or genres for
530 the student.

531 (c) Once an eligible student is identified, the school
532 district shall coordinate with the administrator to initiate
533 book delivery on a monthly basis during the school year, which
534 must begin no later than October and continue through at least
535 June. However, for the 2021-2022 school year only, delivery may
536 begin no later than December 31, 2021, provided that no fewer
537 than 9 books are delivered to each student before book
538 deliveries begin for the 2022-2023 school year.

539 (d) At the beginning of each school year, students must be
540 provided options for specific book topics or genres in order to
541 maximize student interest in reading.

542 (e) A student's eligibility for the initiative continues
543 until promotion to grade 6 or until the student's parent opts
544 out of the initiative.

545 (f) Each school district shall participate in the
546 initiative by partnering with local nonprofit organizations,
547 raising awareness of the initiative using marketing materials
548 developed by the administrator, coordinating book delivery, and
549 identifying students and notifying parents pursuant to this
550 subsection.

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551 (g) Each school district shall coordinate with each
 552 charter school it sponsors for purposes of identifying eligible
 553 students, notifying parents, coordinating book delivery,
 554 providing the opportunity to annually select book topics and
 555 genres, and raising awareness of the initiative as provided by
 556 this section.

557 (h) School districts and partnering nonprofit
 558 organizations shall raise awareness of the initiative, including
 559 information on eligibility and video training modules under
 560 subparagraph (2) (b) 5., through, at least, the following:

561 1. The student handbook and the read-at-home plan under s.
 562 1008.25 (5) (c) .

563 2. A parent or curriculum night or separate initiative
 564 awareness event at each elementary school.

565 3. Partnering with the county library to host awareness
 566 events, which should coincide with other initiatives such as
 567 library card drives, family library nights, summer access
 568 events, and other family engagement programming.

569 (5) ADMINISTRATION; RULES.—

570 (a) The Department of Revenue, the division, and the
 571 Department of Education may develop a cooperative agreement to
 572 assist in the administration of this section, as needed.

573 (b) The Department of Revenue may adopt rules necessary to
 574 administer this section and ss. 211.0252, 212.1833, 220.1876,
 575 561.1212, and 624.51056, including rules establishing

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576 application forms, procedures governing the approval of tax
577 credits and carryforward tax credits under subsection (3), and
578 procedures to be followed by taxpayers when claiming approved
579 tax credits on their returns.

580 (c) The division may adopt rules necessary to administer
581 its responsibilities under this section and s. 561.1212.

582 (d) The Department of Education may adopt rules necessary
583 to administer this section.

584 (e) Notwithstanding any provision of s. 213.053 to the
585 contrary, sharing information with the division related to this
586 tax credit is considered the conduct of the Department of
587 Revenue's official duties as contemplated in s. 213.053(8)(c),
588 and the Department of Revenue and the division are specifically
589 authorized to share information as needed to administer this
590 section.

591 Section 11. Paragraph (c) of subsection (5) of section
592 1008.25, Florida Statutes, is amended to read:

593 1008.25 Public school student progression; student
594 support; reporting requirements.—

595 (5) READING DEFICIENCY AND PARENTAL NOTIFICATION.—

596 (c) The parent of any student who exhibits a substantial
597 deficiency in reading, as described in paragraph (a), must be
598 notified in writing of the following:

599 1. That his or her child has been identified as having a
600 substantial deficiency in reading, including a description and

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601 explanation, in terms understandable to the parent, of the exact
602 nature of the student's difficulty in learning and lack of
603 achievement in reading.

604 2. A description of the current services that are provided
605 to the child.

606 3. A description of the proposed intensive interventions
607 and supports that will be provided to the child that are
608 designed to remediate the identified area of reading deficiency.

609 4. That if the child's reading deficiency is not
610 remediated by the end of grade 3, the child must be retained
611 unless he or she is exempt from mandatory retention for good
612 cause.

613 5. Strategies, including multisensory strategies, through
614 a read-at-home plan the parent can use in helping his or her
615 child succeed in reading.

616 6. That the statewide, standardized English Language Arts
617 assessment is not the sole determiner of promotion and that
618 additional evaluations, portfolio reviews, and assessments are
619 available to the child to assist parents and the school district
620 in knowing when a child is reading at or above grade level and
621 ready for grade promotion.

622 7. The district's specific criteria and policies for a
623 portfolio as provided in subparagraph (6)(b)4. and the evidence
624 required for a student to demonstrate mastery of Florida's
625 academic standards for English Language Arts. A parent of a

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626 student in grade 3 who is identified anytime during the year as
627 being at risk of retention may request that the school
628 immediately begin collecting evidence for a portfolio.

629 8. The district's specific criteria and policies for
630 midyear promotion. Midyear promotion means promotion of a
631 retained student at any time during the year of retention once
632 the student has demonstrated ability to read at grade level.

633 9. Information about the student's eligibility for the New
634 Worlds Reading Initiative under s. 1003.485 and information on
635 parent training modules and other reading engagement resources
636 available through the initiative.

637 Section 12. The Department of Revenue is authorized, and
638 all conditions are deemed met, to adopt emergency rules under s.
639 120.54(4), Florida Statutes, for the purpose of implementing
640 provisions related to the New Worlds Reading Initiative Tax
641 Credit created by this act. Notwithstanding any other law,
642 emergency rules adopted under this section are effective for 6
643 months after adoption and may be renewed during the pendency of
644 procedures to adopt permanent rules addressing the subject of
645 the emergency rules.

646 Section 13. This act shall take effect upon becoming a
647 law.