

By Senator Albritton

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1 A bill to be entitled
2 An act relating to economic development; amending s.
3 166.231, F.S.; authorizing municipalities to exempt by
4 ordinance the public service tax that specified users
5 would pay on electrical energy purchases; requiring
6 municipalities to provide copies of such ordinances to
7 the Department of Revenue within a certain timeframe;
8 amending s. 212.02, F.S.; defining the term
9 "opportunity zone"; amending s. 212.08, F.S.; defining
10 terms; providing an exemption from the state tax on
11 sales, use, and other transactions for building
12 materials used in the rehabilitation of real property
13 in an opportunity zone; specifying requirements,
14 limitations, and procedures for the exemption;
15 requiring the department to adopt rules; authorizing
16 the department to establish guidelines; providing an
17 exemption from the state tax on sales, use, and other
18 transactions for electrical energy used in an
19 opportunity zone, subject to certain ordinances
20 adopted by municipalities; specifying requirements,
21 limitations, and procedures for the exemption;
22 providing a penalty; requiring the department to adopt
23 rules; authorizing the department to establish
24 guidelines; defining the term "qualified business";
25 amending s. 212.098, F.S.; revising the qualification
26 criteria and tax credit amounts for new and existing
27 businesses under the Rural Job Tax Credit Program;
28 creating s. 288.066, F.S.; establishing a rural
29 opportunity tax refund program for qualified target

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30 industry businesses in rural areas; defining terms;
31 specifying the criteria the Department of Economic
32 Opportunity and Enterprise Florida, Inc., must
33 consider in identifying target industries; authorizing
34 the grant of certain tax refunds under certain
35 circumstances; specifying limitations on refunds;
36 providing administrative and criminal penalties;
37 specifying requirements and procedures for
38 applications; specifying requirements and limitations
39 for the review of applications by the Department of
40 Economic Opportunity; providing construction;
41 authorizing the Department of Economic Opportunity to
42 issue certain opinion letters; providing requirements,
43 procedures, and limitations for annual refund claims;
44 providing requirements for the Chief Financial Officer
45 for the issuance of warrants for refunds; providing
46 for administration by the Department of Economic
47 Opportunity; amending s. 288.095, F.S.; conforming
48 provisions to changes made by the act; amending s.
49 288.101, F.S.; requiring the Department of Economic
50 Opportunity to allocate a specified amount of funds in
51 the Florida Job Growth Grant Fund during a certain
52 timeframe each year for projects within rural areas of
53 opportunity; defining the term "rural area of
54 opportunity"; providing an effective date.

55
56 Be It Enacted by the Legislature of the State of Florida:

57
58 Section 1. Present subsections (9) and (10) of section

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59 166.231, Florida Statutes, are redesignated as subsections (10)
60 and (11), respectively, and a new subsection (9) is added to
61 that section, to read:

62 166.231 Municipalities; public service tax.—

63 (9) Beginning July 1, 2023, a municipality may by ordinance
64 exempt not less than 100 percent of the tax imposed under this
65 section on purchasers of electrical energy who the Department of
66 Revenue determines are eligible for the exemption provided by s.
67 212.08(19). The exemption shall be administered as provided in
68 that section. The municipality shall provide a copy of any
69 ordinance adopted pursuant to this subsection to the Department
70 of Revenue not less than 14 days before its effective date.

71 Section 2. Subsection (35) is added to section 212.02,
72 Florida Statutes, to read:

73 212.02 Definitions.—The following terms and phrases when
74 used in this chapter have the meanings ascribed to them in this
75 section, except where the context clearly indicates a different
76 meaning:

77 (35) "Opportunity zone" means a population census tract
78 designated by the United States Department of the Treasury as a
79 qualified opportunity zone pursuant to s. 1400Z-1(b)(1)(B) of
80 the Internal Revenue Code.

81 Section 3. Paragraph (v) is added to subsection (5) of
82 section 212.08, Florida Statutes, and subsection (19) is added
83 to that section, to read:

84 212.08 Sales, rental, use, consumption, distribution, and
85 storage tax; specified exemptions.—The sale at retail, the
86 rental, the use, the consumption, the distribution, and the
87 storage to be used or consumed in this state of the following

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88 are hereby specifically exempt from the tax imposed by this
89 chapter.

90 (5) EXEMPTIONS; ACCOUNT OF USE.—

91 (v) Building materials used in the rehabilitation of real
92 property located in an opportunity zone.—

93 1. For the purposes of the exemption provided in this
94 paragraph, the term:

95 a. "Building materials" means tangible personal property
96 that becomes a component part of improvements to real property.

97 b. "Real property" has the same meaning as provided in s.
98 192.001(12), except that the term does not include a condominium
99 parcel or condominium property as defined in s. 718.103.

100 c. "Rehabilitation of real property" means the
101 reconstruction, renovation, restoration, rehabilitation,
102 construction, or expansion of improvements to real property.

103 d. "Substantially completed" has the same meaning as
104 provided in s. 192.042(1).

105 2. Building materials used in the rehabilitation of real
106 property are exempt from the tax imposed by this chapter upon an
107 affirmative showing to the satisfaction of the department that
108 the items have been used for the rehabilitation of real property
109 located in an opportunity zone. This exemption inures to the
110 owner, lessee, or lessor at the time the real property is
111 rehabilitated, but only through a refund of previously paid
112 taxes. To receive a refund pursuant to this paragraph, the
113 owner, lessee, or lessor of the rehabilitated real property must
114 file an application under oath with the governing body having
115 jurisdiction over the opportunity zone where the property is
116 located, as applicable. A single application for a refund may be

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117 submitted for multiple, contiguous parcels that were part of a
118 single parcel divided as part of the rehabilitation of the real
119 property. All other requirements of this paragraph apply to each
120 parcel on an individual basis. The application must include all
121 of the following:

122 a. The name and address of the person claiming the refund.

123 b. An address and assessment roll parcel number of the
124 rehabilitated real property for which a refund of previously
125 paid taxes is being sought.

126 c. A description of the improvements made to accomplish the
127 rehabilitation of the real property.

128 d. A copy of a valid building permit issued by the county
129 or municipal building department for the rehabilitation of the
130 real property.

131 e. A sworn statement, under penalty of perjury, from the
132 general contractor licensed in this state with whom the
133 applicant contracted to make the improvements necessary to
134 rehabilitate the real property. The sworn statement must list
135 the building materials used to rehabilitate the real property,
136 the actual cost of the building materials, and the amount of
137 sales tax paid in this state on the building materials. If a
138 general contractor was not used, the applicant, not a general
139 contractor, shall make the sworn statement required by this sub-
140 subparagraph. Copies of the invoices that show the purchase of
141 the building materials used in the rehabilitation and the
142 payment of sales tax on the building materials must be attached
143 to the sworn statement provided by the general contractor or by
144 the applicant. Unless the actual cost of building materials used
145 in the rehabilitation of real property and the payment of sales

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146 taxes are documented by a general contractor or by the applicant
147 in this manner, the cost of the building materials is deemed to
148 be an amount equal to 40 percent of the increase in assessed
149 value for ad valorem tax purposes.

150 f. The census tract number of the opportunity zone in which
151 the rehabilitated real property is located.

152 g. A certification by the local building code inspector
153 that the improvements necessary to rehabilitate the real
154 property are substantially completed.

155 3. Within 10 working days after receipt of an application,
156 the governing body shall review the application to determine if
157 it contains all the information required by subparagraph 1. and
158 meets the criteria set forth in this paragraph. The governing
159 body shall certify all applications that contain the required
160 information and are eligible to receive a refund. The
161 certification must be in writing, and a copy of the
162 certification shall be transmitted to the executive director of
163 the department. The applicant is responsible for forwarding a
164 certified application to the department within the time
165 specified in subparagraph 4.

166 4. An application for a refund must be submitted to the
167 department within 6 months after the rehabilitation of the real
168 property is deemed to be substantially completed by the local
169 building code inspector or by November 1 after the rehabilitated
170 real property is first subject to assessment.

171 5. Only one exemption through a refund of previously paid
172 taxes for the rehabilitation of real property is allowed for any
173 single parcel of real property unless there is a change in
174 ownership, a new lessor, or a new lessee of the real property. A

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175 refund may not be granted unless the amount to be refunded
176 exceeds \$500. A refund may not exceed the lesser of 97 percent
177 of the Florida sales or use tax paid on the cost of the building
178 materials used in the rehabilitation of the real property, as
179 determined pursuant to sub-subparagraph 1.e., or \$7,500. The
180 department shall make the refund within 30 days after formally
181 approving the application.

182 6. The department shall adopt rules governing the manner
183 and form of refund applications and may establish guidelines as
184 to the requisites for an affirmative showing of qualification
185 for exemption under this paragraph.

186 (19) ELECTRICAL ENERGY USED IN AN OPPORTUNITY ZONE.—

187 (a) Beginning July 1, 2023, a qualified business that uses
188 electrical energy at a fixed location in an opportunity zone in
189 a municipality that has enacted an ordinance pursuant to s.
190 166.231(9) which provides for exemption of municipal utility
191 taxes on such businesses shall receive an exemption equal to 50
192 percent of the tax imposed by this chapter. A qualified business
193 may receive such exemption for a period of 5 years from the
194 billing period beginning not more than 30 days following the
195 department notifying the applicable utility company that an
196 exemption has been authorized pursuant to this subsection and s.
197 166.231(9).

198 (b) To receive this exemption, a business must file an
199 application with the department on a form provided for the
200 purposes of this subsection and s. 166.231(9). The application
201 must be made under oath and include all of the following:

- 202 1. The name and location of the business.
203 2. The census tract number of the opportunity zone in which

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204 the business is located.

205 3. The date on which electrical service is to be first
206 initiated at the business.

207 4. The name and mailing address of the entity from which
208 electrical energy is to be purchased.

209 5. The date of the application.

210 6. The name of the city in which the business is located.

211 (c) An application for an exemption under this subsection
212 must be submitted to the department within 6 months after the
213 occurrence of the appropriate qualifying provision set out in
214 paragraph (f).

215 (d) If, in a subsequent audit conducted by the department,
216 it is determined that the business did not meet the criteria
217 mandated in this subsection, the amount of taxes exempted shall
218 immediately be due and payable to the department by the
219 business, together with the appropriate interest and penalty,
220 computed from the due date of each bill for the electrical
221 energy purchased as exempt under this subsection, in the manner
222 prescribed by this chapter.

223 (e) The department shall adopt rules governing applications
224 and the required forms for, and issuance of, the exemption
225 authorized in this subsection and provisions for recapture of
226 taxes exempted under this subsection, and the department may
227 establish guidelines as to qualifications for the exemption.

228 (f) For the purpose of the exemption provided in this
229 subsection, the term "qualified business" means a business that
230 is:

231 1. First occupying a new structure to which electrical
232 service, other than that used for construction purposes, has not

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233 been previously provided or furnished;

234 2. Newly occupying an existing, remodeled, renovated, or
235 rehabilitated structure to which electrical service, other than
236 that used for remodeling, renovation, or rehabilitation of the
237 structure, has not been provided or furnished in the three
238 preceding billing periods; or

239 3. Occupying a new, remodeled, rebuilt, renovated, or
240 rehabilitated structure for which a refund has been granted
241 pursuant to paragraph (5) (v).

242 Section 4. Subsections (2) and (3) of section 212.098,
243 Florida Statutes, are amended to read:

244 212.098 Rural Job Tax Credit Program.—

245 (2) A new eligible business may apply for a tax credit
246 under this subsection once at any time during its first year of
247 operation. A new eligible business in a qualified area ~~that has~~
248 ~~at least 10 qualified employees on the date of application~~ shall
249 receive a \$2,500 ~~\$1,000~~ tax credit for each such employee.

250 (3) An existing eligible business may apply for a tax
251 credit under this subsection at any time it is entitled to such
252 credit, except as restricted by this subsection. An existing
253 eligible business with fewer than 50 employees in a qualified
254 area that on the date of application has at least 10 ~~20~~ percent
255 more qualified employees than it had 1 year before ~~prior to~~ its
256 date of application shall receive a \$2,000 ~~\$1,000~~ tax credit for
257 each such additional employee. An existing eligible business
258 that has 50 employees or more in a qualified area that, on the
259 date of application, has at least 5 ~~10~~ more qualified employees
260 than it had 1 year before ~~prior to~~ its date of application shall
261 receive a \$1,500 ~~\$1,000~~ tax credit for each additional employee.

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262 Any existing eligible business that received a credit under
263 subsection (2) may not apply for the credit under this
264 subsection sooner than 12 months after the application date for
265 the credit under subsection (2).

266 Section 5. Section 288.066, Florida Statutes, is created to
267 read:

268 288.066 Rural opportunity tax refund program.-

269 (1) DEFINITIONS.-As used in this section:

270 (a) "Account" means the Economic Development Incentives
271 Account within the Economic Development Trust Fund established
272 under s. 288.095.

273 (b) "Authorized local economic development agency" means a
274 public or private entity, including an entity defined in s.
275 288.075, authorized by a county or municipality to promote the
276 general business or industrial interests of that county or
277 municipality.

278 (c) "Average private sector wage in the area" means the
279 statewide private sector average wage or the average of all
280 private sector wages and salaries in the county or in the
281 standard metropolitan area in which the business is located.

282 (d) "Business" means an employing unit, as defined in s.
283 443.036, registered for reemployment assistance purposes with
284 the state agency providing reemployment assistance tax
285 collection services under an interagency agreement pursuant to
286 s. 443.1316, or a subcategory or division of an employing unit
287 accepted by the state agency providing reemployment assistance
288 tax collection services as a reporting unit.

289 (e) "Corporate headquarters business" means an
290 international, national, or regional headquarters office of a

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291 multinational or multistate business enterprise or national
292 trade association, whether separate from or connected with other
293 facilities used by such business.

294 (f) "Expansion of an existing business" means the expansion
295 of an existing Florida business by or through additions to real
296 and personal property, resulting in a net increase in
297 employment.

298 (g) "Fiscal year" means the fiscal year of the state.

299 (h) "Jobs" means full-time equivalent positions, including,
300 but not limited to, positions obtained from a temporary
301 employment agency or employee leasing company or through a union
302 agreement or coemployment under a professional employer
303 organization agreement, that result directly from a project in
304 this state. The term does not include temporary construction
305 jobs involved with the construction of facilities for the
306 project or any jobs previously included in any application for
307 tax refunds under s. 288.1045 or this section.

308 (i) "Local financial support" means funding from local
309 sources, public or private, which is paid to the Economic
310 Development Trust Fund and which is equal to 20 percent of the
311 annual tax refund for a qualified target industry business. A
312 qualified target industry business may not provide, directly or
313 indirectly, more than 5 percent of such funding in any fiscal
314 year. The sources of such funding may not include, directly or
315 indirectly, state funds appropriated from the General Revenue
316 Fund or any state trust fund, excluding tax revenues shared with
317 local governments pursuant to law.

318 (j) "Local financial support exemption option" means the
319 option to exercise an exemption from the local financial support

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320 requirement available to any applicant whose project is located
321 in a brownfield area, a rural city, or a rural community. Any
322 applicant that exercises this option is not eligible for more
323 than 80 percent of the total tax refunds allowed such applicant
324 under this section.

325 (k) "New business" means a business that applies for a tax
326 refund under this section before beginning operations in this
327 state and that is a legal entity separate from any other
328 commercial or industrial operations owned by the same business.

329 (l) "Project" means the creation of a new business or
330 expansion of an existing business.

331 (m) "Qualified target industry business" means a target
332 industry business approved by the department to be eligible for
333 tax refunds under this section.

334 (n) "Rural city" means a city having a population of 10,000
335 or less, or a city having a population of greater than 10,000
336 but less than 20,000, which has been determined by the
337 department to have such economic characteristics as, but not
338 limited to, a significant percentage of residents on public
339 assistance, a significant percentage of residents with incomes
340 below the poverty level, or a significant percentage of the
341 city's employment base in agriculture-related jobs.

342 (o) "Rural community" means:

343 1. A county having a population of 75,000 or less.

344 2. A county having a population of 125,000 or less which is
345 contiguous to a county having a population of 75,000 or less.

346 3. A municipality within a county described in subparagraph
347 1. or subparagraph 2.

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349 For purposes of this paragraph, population shall be determined
350 in accordance with the most recent official estimate pursuant to
351 s. 186.901.

352 (p) "Target industry business" means a corporate
353 headquarters business or any business engaged in one of the
354 target industries identified pursuant to subsection (2). The
355 term does not include any business engaged in retail industry
356 activities; any electric utility company as defined in s.
357 366.02(2); any phosphate or other solid minerals severance,
358 mining, or processing operation; any oil or gas exploration or
359 production operation; or any business subject to regulation by
360 the Division of Hotels and Restaurants of the Department of
361 Business and Professional Regulation. Any business in NAICS code
362 5611 or 5614, office administrative services and business
363 support services, respectively, may be considered a target
364 industry business only after the local governing body and
365 Enterprise Florida, Inc., determine that the community where the
366 business may locate has conditions affecting the fiscal and
367 economic viability of the local community or area, including but
368 not limited to, such factors as low per capita income, high
369 unemployment, high underemployment, and a lack of year-round
370 stable employment opportunities, and such conditions may be
371 improved by the location of such a business to the community. By
372 January 1 of every 3rd year, beginning January 1, 2023, the
373 department, in consultation with Enterprise Florida, Inc.,
374 economic development organizations, the State University System,
375 local governments, employee and employer organizations, market
376 analysts, and economists, shall review and, as appropriate,
377 revise the list of such target industries and submit the list to

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378 the Governor, the President of the Senate, and the Speaker of
379 the House of Representatives.

380 (q) "Taxable year" means taxable year as defined in s.
381 220.03(1)(y).

382 (2) DESIGNATION OF TARGET INDUSTRIES.—In identifying target
383 industries, the department in consultation with Enterprise
384 Florida, Inc., shall consider the following criteria:

385 (a) Future growth.—Whether industry forecasts indicate
386 strong expectation for future growth in both employment and
387 output, according to the most recent available data. Special
388 consideration must be given to businesses that export goods to,
389 or provide services in, international markets and to businesses
390 that replace international imports of goods or services.

391 (b) Stability.—Special consideration must be given to an
392 industry not subject to periodic layoffs, whether due to
393 seasonality or sensitivity to volatile economic variables, such
394 as weather. The industry must also be relatively resistant to
395 recession, so that the demand for products of this industry is
396 not typically subject to decline during an economic downturn.

397 (c) High wage.—Whether the industry pays relatively high
398 wages compared to statewide or area averages.

399 (d) Market and resource independent.—Whether industry
400 business locations are not dependent upon Florida markets or
401 resources, as indicated by industry analysis, except for
402 businesses in the renewable energy industry.

403 (e) Industrial base diversification and strengthening.—
404 Whether the industry is contributing toward expanding or
405 diversifying the state's or area's economic base, as indicated
406 by analysis of the industry's share of employment and output,

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407 compared to national and regional trends. Special consideration
408 must be given to industries that strengthen regional economies
409 by adding value to basic products or building regional
410 industrial clusters, as indicated by industry analysis. Special
411 consideration must also be given to the development of strong
412 industrial clusters that include defense and homeland security
413 businesses.

414 (f) Positive economic impact.—Whether the industry is
415 expected to have strong positive economic impacts on or benefits
416 to the state or regional economies. Special consideration must
417 be given to industries that facilitate the development of the
418 state as a hub for domestic and global trade and logistics.

419 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

420 (a) A qualified target industry business may be allowed a
421 refund from the account for the amount of eligible taxes the
422 business paid which is certified by the department. The total
423 amount of refunds for all fiscal years for each qualified target
424 industry business must be determined pursuant to subsection (4).
425 The annual amount of a refund to a qualified target industry
426 business must be determined pursuant to subsection (5).

427 (b) Upon approval by the department, a qualified target
428 industry business located in a rural community is allowed tax
429 refund payments equal to \$6,000 multiplied by the number of jobs
430 the business creates.

431 (c) A qualified target industry business may:

432 1. Receive refunds from the account for the following taxes
433 due and paid by that business beginning with the first taxable
434 year of the business which begins after the business has been
435 certified as a qualified target industry business:

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- 436 a. Corporate income taxes under chapter 220.
- 437 b. Insurance premium tax under s. 624.509.
- 438 2. Receive refunds from the account for the following taxes
- 439 due and paid by that business after being certified as a
- 440 qualified target industry business:
- 441 a. Taxes on sales, use, and other transactions under
- 442 chapter 212.
- 443 b. Intangible personal property taxes under chapter 199.
- 444 c. Excise taxes on documents under chapter 201.
- 445 d. Ad valorem taxes paid, as defined in s. 220.03(1).
- 446 e. State communications services taxes administered under
- 447 chapter 202. This provision does not apply to the gross receipts
- 448 tax imposed under chapter 203 and administered under chapter 202
- 449 or the local communications services tax authorized under s.
- 450 202.19.
- 451 (d) A qualified target industry business may not receive a
- 452 refund under this section for any amount of credit, refund, or
- 453 exemption previously granted to that business for any of the
- 454 taxes listed in paragraph (c). If the department provides a
- 455 refund for such taxes and the taxes are subsequently adjusted by
- 456 the application of any credit, refund, or exemption granted to
- 457 the qualified target industry business other than as provided in
- 458 this section, the business must reimburse the account for the
- 459 amount of that credit, refund, or exemption. A qualified target
- 460 industry business shall notify and tender payment to the
- 461 department within 20 days after receiving any credit, refund, or
- 462 exemption other than one provided under this section.
- 463 (e) Refunds made available under this section may not be
- 464 expended in connection with the relocation of a business from

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465 one community to another community in this state unless the
466 department determines that, without such relocation, the
467 business will move outside this state, or it determines that the
468 business has a compelling economic rationale for relocation and
469 that the relocation will create additional jobs.

470 (f) A qualified target industry business that fraudulently
471 claims a refund under this section:

472 1. Is liable for repayment of the amount of the refund to
473 the account, plus a mandatory penalty in the amount of 200
474 percent of the tax refund. The repayment shall be deposited into
475 the General Revenue Fund.

476 2. Commits a felony of the third degree, punishable as
477 provided in s. 775.082, s. 775.083, or s. 775.084.

478 (4) APPLICATION AND APPROVAL PROCESS.-

479 (a) To apply for certification as a qualified target
480 industry business under this section, the business must file an
481 application with the department before the business decides to
482 locate in this state or before the business decides to expand
483 its existing operations in this state. The application must
484 include, but need not be limited to, the following information:

485 1. The applicant's federal employer identification number
486 and, if applicable, state sales tax registration number.

487 2. The proposed permanent location of the applicant's
488 facility in this state where the project is to be located.

489 3. A description of the type of business activity or
490 product covered by the project, including a minimum of a five-
491 digit NAICS code for all activities included in the project. As
492 used in this paragraph, the term "NAICS" means those
493 classifications contained in the North American Industry

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494 Classification System, as published in 2007 by the Office of
495 Management and Budget, Executive Office of the President, and
496 updated periodically.

497 4. The proposed number of net new full-time equivalent
498 Florida jobs at the qualified target industry business as of
499 December 31 of each year included in the project and the average
500 wage of those jobs. If more than one type of business activity
501 or product is included in the project, the number of jobs and
502 average wage for those jobs must be separately stated for each
503 type of business activity or product.

504 5. The total number of full-time equivalent employees
505 employed by the applicant in this state, if applicable.

506 6. The anticipated commencement date of the project.

507 7. A brief statement explaining the role that the estimated
508 tax refunds to be requested will play in the decision of the
509 applicant to locate or expand in this state.

510 8. An estimate of the proportion of the sales resulting
511 from the project which will be made outside this state.

512 9. An estimate of the proportion of the cost of the
513 machinery and equipment, and any other resources necessary in
514 the development of its product or service, to be used by the
515 business in its Florida operations which will be purchased
516 outside this state.

517 10. A resolution adopted by the governing board of the
518 county or municipality in which the project will be located,
519 which resolution recommends that the applicant be approved as a
520 qualified target industry business and specifies that the
521 commitments of local financial support necessary for the target
522 industry business exist. Before the passage of such resolution,

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523 the department may also accept an official letter from an
524 authorized local economic development agency that endorses the
525 proposed target industry project and pledges that sources of
526 local financial support for such project exist. For the purposes
527 of making pledges of local financial support under this
528 subparagraph, the local governing board shall pass a one-time
529 resolution officially designating the authorized local economic
530 development agency.

531 11. Any additional information requested by the department.

532 (b) Each application must be submitted to the department
533 for determination of eligibility. The department shall review
534 and evaluate each application based on, but not limited to, the
535 following criteria:

536 1. Expected contributions to the state's economy,
537 consistent with the state strategic economic development plan
538 prepared by the department.

539 2. The economic benefits of the proposed award of tax
540 refunds under this section.

541 3. The amount of capital investment to be made by the
542 applicant in this state.

543 4. The local financial commitment and support for the
544 project.

545 5. The expected effect of the project on the unemployed and
546 underemployed in the county where the project will be located.

547 6. The expected effect of the award on the viability of the
548 project and the probability that the project would be undertaken
549 in this state if such tax refunds are granted to the applicant.

550 7. Whether the business activity or project is in an
551 industry identified by the department as a target industry

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552 business that contributes to the economic growth of the state
553 and the area in which the business is located, produces a higher
554 standard of living for residents of this state in the new global
555 economy, or can be shown to make an equivalent contribution to
556 the area's and state's economic progress.

557 8. A review of the business's past activities in this state
558 or other states, including whether the business has been
559 subjected to criminal or civil fines and penalties. This
560 subparagraph does not require the disclosure of confidential
561 information.

562 (c) Applications shall be reviewed and certified pursuant
563 to s. 288.061. The department shall include in its review
564 projections of the tax refunds the business would be eligible to
565 receive in each fiscal year based on the creation and
566 maintenance of the net new Florida jobs specified in
567 subparagraph (a)4. as of December 31 of the preceding state
568 fiscal year.

569 (d) The department may not certify any target industry
570 business as a qualified target industry business if the value of
571 tax refunds to be included in that letter of certification
572 exceeds the available amount of authority to certify new
573 businesses as determined in s. 288.095(3). However, if the
574 commitments of local financial support represent less than 20
575 percent of the eligible tax refund payments, or to otherwise
576 preserve the viability and fiscal integrity of the program, the
577 department may certify a qualified target industry business to
578 receive tax refund payments of less than the allowable amount
579 specified in paragraph (3) (b). A letter of certification that
580 approves an application must specify the maximum amount of tax

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581 refund that will be available to the qualified target industry
582 business in each fiscal year and the total amount of tax refunds
583 that will be available to the business for all fiscal years.

584 (e) This section does not create a presumption that an
585 applicant will receive any tax refunds under this section.
586 However, the department may issue nonbinding opinion letters,
587 upon the request of prospective applicants, as to the
588 applicants' eligibility and the potential amount of refunds.

589 (5) ANNUAL CLAIM FOR REFUND.—

590 (a) To be eligible to claim any scheduled tax refund, a
591 qualified target industry business must apply by January 31 of
592 each fiscal year to the department for the tax refund scheduled
593 to be paid from the appropriation for the fiscal year that
594 begins on July 1 following the January 31 claims-submission
595 date. The department may, upon written request, grant a 30-day
596 extension of the filing date.

597 (b) The claim for refund by the qualified target industry
598 business must include a copy of all receipts pertaining to the
599 payment of taxes for which the refund is sought.

600 (c) The department may waive the requirement for proof of
601 taxes paid in future years for a qualified target industry
602 business that provides the department with proof that, in a
603 single year, the business has paid an amount of state taxes from
604 the categories in paragraph (3)(c) which is at least equal to
605 the total amount of tax refunds that the business may receive
606 through successful completion of its project.

607 (d) A tax refund may not be approved for a qualified target
608 industry business unless the required local financial support
609 has been paid into the account for that refund. If the local

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610 financial support provided is less than 20 percent of the
611 approved tax refund, the tax refund must be reduced. The tax
612 refund may not exceed an amount equal to 5 times the amount of
613 the local financial support received. The qualified target
614 industry business must provide a report listing all sources of
615 the local financial support to the department when such support
616 is paid to the account.

617 (e) The department, with such assistance as may be required
618 from the Department of Revenue, shall, by June 30 following the
619 scheduled date for submission of the tax refund claim, specify
620 by written order the approval or disapproval of the tax refund
621 claim and, if approved, the amount of the tax refund authorized
622 to be paid to the qualified target industry business. The
623 department may grant an extension of this date upon the request
624 of the qualified target industry business for the purpose of
625 filing additional information in support of the claim.

626 (f) The total amount of tax refund claims approved by the
627 department under this section in any fiscal year must not exceed
628 the amount authorized under s. 288.095(3).

629 (g) This section does not create a presumption that a tax
630 refund claim will be approved and paid.

631 (h) Upon approval of the tax refund under paragraphs (d)
632 and (e), the Chief Financial Officer shall issue a warrant for
633 the amount specified in the written order. If the written order
634 is appealed, the Chief Financial Officer may not issue a warrant
635 for a refund to the qualified target industry business until the
636 conclusion of all appeals of that order.

637 (6) ADMINISTRATION.—

638 (a) The department may verify information provided in any

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639 claim submitted for tax credits under this section with regard
640 to employment and wage levels or the payment of the taxes to the
641 appropriate agency or authority, including the Department of
642 Revenue or any local government or authority.

643 (b) To facilitate the process of monitoring and auditing
644 applications made under this section, the department may provide
645 a list of qualified target industry businesses to the Department
646 of Revenue or to any local government or authority. The
647 department may request the assistance of those entities with
648 respect to monitoring jobs, wages, and the payment of the taxes
649 listed in subsection (3).

650 (c) Funds specifically appropriated for tax refunds for
651 qualified target industry businesses under this section may not
652 be used by the department for any purpose other than the payment
653 of tax refunds authorized by this section.

654 Section 6. Section 288.095, Florida Statutes, is amended to
655 read:

656 288.095 Economic Development Trust Fund.—

657 (1) The Economic Development Trust Fund is created within
658 the Department of Economic Opportunity. Moneys deposited into
659 the fund must be used only to support the authorized activities
660 and operations of the department.

661 (2) There is created, within the Economic Development Trust
662 Fund, the Economic Development Incentives Account. The Economic
663 Development Incentives Account consists of moneys appropriated
664 to the account for purposes of the tax incentives programs
665 authorized under ss. 288.066, 288.1045, and 288.106, and local
666 financial support provided under ss. 288.066, 288.1045, and
667 288.106. Moneys in the Economic Development Incentives Account

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668 shall be subject to the provisions of s. 216.301(1)(a).

669 (3)(a) The department may approve applications for
670 certification pursuant to ss. 288.066, 288.1045(3), and 288.106.
671 However, the total state share of tax refund payments may not
672 exceed \$35 million.

673 (b) The total amount of tax refund claims approved for
674 payment by the department based on actual project performance
675 may not exceed the amount appropriated to the Economic
676 Development Incentives Account for such purposes for the fiscal
677 year. Claims for tax refunds under ss. 288.066, 288.1045, and
678 288.106 shall be paid in the order the claims are approved by
679 the department. In the event the Legislature does not
680 appropriate an amount sufficient to satisfy the tax refunds
681 under ss. 288.066, 288.1045, and 288.106 in a fiscal year, the
682 department shall pay the tax refunds from the appropriation for
683 the following fiscal year. By March 1 of each year, the
684 department shall notify the legislative appropriations
685 committees of the Senate and House of Representatives of any
686 anticipated shortfall in the amount of funds needed to satisfy
687 claims for tax refunds from the appropriation for the current
688 fiscal year.

689 (c) Moneys in the Economic Development Incentives Account
690 may be used only to pay tax refunds and make other payments
691 authorized under s. 288.066, s. 288.1045, s. 288.106, or s.
692 288.107.

693 (d) The department may adopt rules necessary to carry out
694 the provisions of this subsection, including rules providing for
695 the use of moneys in the Economic Development Incentives Account
696 and for the administration of the Economic Development

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697 Incentives Account.

698 Section 7. Present subsections (3) and (4) of section
699 288.101, Florida Statutes, are redesignated as subsections (4)
700 and (5), respectively, a new subsection (3) is added to that
701 section, and present subsection (3) of that section is amended,
702 to read:

703 288.101 Florida Job Growth Grant Fund.—

704 (3) For the first quarter of each fiscal year, the
705 department shall allocate an amount equal to 10 percent of the
706 funds in the Florida Job Growth Grant Fund to projects within
707 rural areas of opportunity.

708 (4)~~(3)~~ For purposes of this section:

709 (a) "Infrastructure" means any fixed capital expenditure or
710 fixed capital costs associated with the construction,
711 reconstruction, or improvement of facilities that have a life
712 expectancy of 5 or more years and any land acquisition, land
713 improvement, design, and engineering costs related thereto.
714 Facilities in this category include technical structures such as
715 roads, bridges, tunnels, water supply, sewers, electrical grids,
716 and telecommunications facilities.

717 (b) "Public infrastructure" means infrastructure that is
718 owned by the public, and is for public use or predominately
719 benefits the public. If public infrastructure is leased or sold,
720 it must be leased or sold at fair market rates or value.

721 (c) "Rural area of opportunity" has the same meaning as in
722 s. 288.0656(2)(d).

723 (d) "Targeted industry" means any industry identified in
724 the most recent list provided to the Governor, the President of
725 the Senate, and the Speaker of the House of Representatives in

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726 accordance with s. 288.106(2)(q).

727 Section 8. This act shall take effect July 1, 2022.