

26 | the term "adjusted federal income" to include credits
 27 | created by this act; providing an effective date.

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29 | Be It Enacted by the Legislature of the State of Florida:

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31 | Section 1. Paragraph (o) of subsection (8) of section
 32 | 213.053, Florida Statutes, is amended to read:

33 | 213.053 Confidentiality and information sharing.—

34 | (8) Notwithstanding any other provision of this section,
 35 | the department may provide:

36 | (o) Information relative to ss. 220.1845, 220.199, and
 37 | 376.30781 to the Department of Environmental Protection in the
 38 | conduct of its official business.

39 |

40 | Disclosure of information under this subsection shall be
 41 | pursuant to a written agreement between the executive director
 42 | and the agency. Such agencies, governmental or nongovernmental,
 43 | shall be bound by the same requirements of confidentiality as
 44 | the Department of Revenue. Breach of confidentiality is a
 45 | misdemeanor of the first degree, punishable as provided by s.
 46 | 775.082 or s. 775.083.

47 | Section 2. Section 220.199, Florida Statutes, is created
 48 | to read:

49 | 220.199 Residential graywater system tax credit.—

50 | (1) For purposes of this section, the term:

51 (a) "Developer" has the same meaning as in s. 380.031(2).

52 (b) "Graywater" has the same meaning as in s.

53 381.0065(2)(f).

54 (2) For taxable years beginning on or after January 1,
55 2024, a developer or homebuilder is eligible to receive a credit
56 against the tax imposed by this chapter in an amount up to 50
57 percent of the cost of each NSF/ANSI 350 Class R certified
58 noncommercial, residential graywater system purchased during the
59 taxable year. The tax credit may not exceed \$4,200 for each
60 system purchased or \$2,000,000 per developer or homebuilder per
61 taxable year.

62 (3)(a) To claim a tax credit under this section, a
63 developer or homebuilder must submit an application to the
64 Department of Environmental Protection which includes
65 documentation showing that the developer or homebuilder has
66 purchased for use in this state a graywater system meeting the
67 requirements of subsection (2) and that the graywater system
68 meets the functionality assurances provided in s. 403.892(3)(c).
69 The Department of Environmental Protection shall make a
70 determination on the eligibility of the applicant for the credit
71 sought and shall certify the determination to the applicant and
72 the Department of Revenue within 60 days after receipt of a
73 completed application. The taxpayer must attach the
74 certification from the Department of Environmental Protection to
75 the tax return on which the credit is claimed.

76 (b) No credits may be certified by the Department of
 77 Environmental Protection for taxable years beginning on or after
 78 January 1, 2027.

79 (4) Any unused tax credit authorized under this section
 80 may be carried forward and claimed by the taxpayer for up to 2
 81 taxable years.

82 (5) The department shall adopt rules to administer this
 83 section, including, but not limited to, rules prescribing the
 84 method to claim a credit certified by the Department of
 85 Environmental Protection under this section.

86 (6) The Department of Environmental Protection may adopt
 87 rules to administer this section, including, but not limited to,
 88 rules relating to application forms for credit approval and
 89 certification and the application and certification procedures,
 90 guidelines, and requirements necessary to administer this
 91 section.

92 (7) This section is repealed December 31, 2030.

93 Section 3. Subsection (8) of section 220.02, Florida
 94 Statutes, is amended to read:

95 220.02 Legislative intent.—

96 (8) It is the intent of the Legislature that credits
 97 against either the corporate income tax or the franchise tax be
 98 applied in the following order: those enumerated in s. 631.828,
 99 those enumerated in s. 220.191, those enumerated in s. 220.181,
 100 those enumerated in s. 220.183, those enumerated in s. 220.182,

101 those enumerated in s. 220.1895, those enumerated in s. 220.195,
 102 those enumerated in s. 220.184, those enumerated in s. 220.186,
 103 those enumerated in s. 220.1845, those enumerated in s. 220.19,
 104 those enumerated in s. 220.185, those enumerated in s. 220.1875,
 105 those enumerated in s. 220.1876, those enumerated in s.
 106 220.1877, those enumerated in s. 220.193, those enumerated in s.
 107 288.9916, those enumerated in s. 220.1899, those enumerated in
 108 s. 220.194, those enumerated in s. 220.196, those enumerated in
 109 s. 220.198, ~~and~~ those enumerated in s. 220.1915, and those
 110 enumerated in s. 220.199.

111 Section 4. Paragraph (a) of subsection (1) of section
 112 220.13, Florida Statutes, is amended to read:

113 220.13 "Adjusted federal income" defined.—

114 (1) The term "adjusted federal income" means an amount
 115 equal to the taxpayer's taxable income as defined in subsection
 116 (2), or such taxable income of more than one taxpayer as
 117 provided in s. 220.131, for the taxable year, adjusted as
 118 follows:

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

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

126 b. Notwithstanding sub-subparagraph a., if a credit taken
127 under s. 220.1875, s. 220.1876, or s. 220.1877 is added to
128 taxable income in a previous taxable year under subparagraph 11.
129 and is taken as a deduction for federal tax purposes in the
130 current taxable year, the amount of the deduction allowed shall
131 not be added to taxable income in the current year. The
132 exception in this sub-subparagraph is intended to ensure that
133 the credit under s. 220.1875, s. 220.1876, or s. 220.1877 is
134 added in the applicable taxable year and does not result in a
135 duplicate addition in a subsequent year.

136 2. The amount of interest which is excluded from taxable
137 income under s. 103(a) of the Internal Revenue Code or any other
138 federal law, less the associated expenses disallowed in the
139 computation of taxable income under s. 265 of the Internal
140 Revenue Code or any other law, excluding 60 percent of any
141 amounts included in alternative minimum taxable income, as
142 defined in s. 55(b)(2) of the Internal Revenue Code, if the
143 taxpayer pays tax under s. 220.11(3).

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

148 4. That portion of the wages or salaries paid or incurred
149 for the taxable year which is equal to the amount of the credit
150 allowable for the taxable year under s. 220.181. This

151 subparagraph shall expire on the date specified in s. 290.016
152 for the expiration of the Florida Enterprise Zone Act.

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

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

161 7. That portion of assessments to fund a guaranty
162 association incurred for the taxable year which is equal to the
163 amount of the credit allowable for the taxable year.

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

169 9. The amount taken as a credit for the taxable year under
170 s. 220.1895.

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

174 11. Any amount taken as a credit for the taxable year
175 under s. 220.1875, s. 220.1876, or s. 220.1877. The addition in

176 | this subparagraph is intended to ensure that the same amount is
177 | not allowed for the tax purposes of this state as both a
178 | deduction from income and a credit against the tax. This
179 | addition is not intended to result in adding the same expense
180 | back to income more than once.

181 | 12. The amount taken as a credit for the taxable year
182 | under s. 220.193.

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

186 | 14. The costs to acquire a tax credit pursuant to s.
187 | 288.1254(5) that are deducted from or otherwise reduce federal
188 | taxable income for the taxable year.

189 | 15. The amount taken as a credit for the taxable year
190 | pursuant to s. 220.194.

191 | 16. The amount taken as a credit for the taxable year
192 | under s. 220.196. The addition in this subparagraph is intended
193 | to ensure that the same amount is not allowed for the tax
194 | purposes of this state as both a deduction from income and a
195 | credit against the tax. The addition is not intended to result
196 | in adding the same expense back to income more than once.

197 | 17. The amount taken as a credit for the taxable year
198 | pursuant to s. 220.198.

199 | 18. The amount taken as a credit for the taxable year
200 | pursuant to s. 220.1915.

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201 19. The amount taken as a credit for the taxable year
202 pursuant to s. 220.199.

203 Section 5. This act shall take effect July 1, 2023.