

By Senator McClain

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1 A bill to be entitled
2 An act relating to housing; amending s. 196.1978,
3 F.S.; providing and revising definitions; revising
4 eligibility requirements for a specified affordable
5 housing tax exemption; authorizing certain adaptive
6 reuse projects to be eligible for a certain tax
7 exemption; revising the period of time to determine
8 eligibility for such exemption; providing that certain
9 property owners continue to be eligible for such
10 exemption if certain conditions are met; authorizing
11 subsequent property owners to continue receiving such
12 exemption; providing requirements for receiving a
13 certification notice; authorizing specified actions by
14 foreclosed property owners; requiring property
15 appraisers to issue certain letters; providing that
16 projects that have received such letters may continue
17 receiving a specified tax exemption and may begin
18 receiving such exemption on a specified date; revising
19 requirements for taxing authorities; prohibiting such
20 authorities from using specified emergency enactment
21 procedures for specified purposes; requiring certain
22 projects and developments to continue to be exempt
23 from specified ordinances; requiring a taxing
24 authority to conduct an assessment on the need for
25 certain affordable housing and present the assessment
26 at a specified meeting; requiring the taxing authority
27 to provide a certain notice to the Florida Housing
28 Finance Corporation; requiring the corporation to
29 submit a certain report each year to the Governor and

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30 the Legislature before the legislative session;
31 authorizing a cause of action for certain project
32 owners to recover specified relief; providing for the
33 award of attorney fees and costs; defining the term
34 "reasonable attorney fees and costs"; revising
35 penalties that must be included in a certain land use
36 restriction; providing applicability; amending s.
37 196.1979, F.S.; defining the term "adaptive reuse
38 project"; revising eligibility requirements for a
39 specified tax exemption; authorizing certain
40 developments to abate certain future ad valorem
41 property taxes by paying a specified amount at the
42 time a building permit is issued; requiring the
43 Florida Housing Finance Corporation to adopt certain
44 rules; prohibiting a county or municipality from
45 imposing compliance monitoring requirements more
46 stringent than standards the corporation adopts;
47 amending s. 212.055, F.S.; revising the types of
48 expenditures for which the proceeds of a specified
49 surtax may be used; amending s. 213.053, F.S.;
50 authorizing the Department of Revenue to share certain
51 information with specified parties; amending s.
52 220.02, F.S.; revising the order in which credits
53 against specified taxes may be taken; amending s.
54 220.13, F.S.; revising adjustments for adjusted
55 federal income; amending s. 220.185, F.S.; revising
56 the definition of the term "qualified project";
57 excluding from the definition any project that has
58 received specified financing or tax credits; amending

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59 s. 220.197, F.S.; providing a short title; providing
60 definitions; authorizing a tax credit for qualified
61 expenses incurred for a specified purpose beginning on
62 a certain date; providing applicability; prohibiting a
63 taxpayer from receiving more than a specified amount
64 in tax credits for a single project; providing
65 eligibility requirements for such tax credit;
66 authorizing forfeiture of such tax credit under
67 certain circumstances; authorizing the carryforward of
68 such tax credit; authorizing the sale or transfer of
69 such tax credit under certain conditions; specifying
70 requirements for such sale or transfer; authorizing
71 the Department of Revenue to conduct audits;
72 authorizing the Division of Historical Resources of
73 the Department of State to assist in such audits;
74 authorizing forfeiture of certain tax credits under
75 certain circumstances; requiring repayment of certain
76 funds into a specified account; requiring the taxpayer
77 to file an amended tax return and pay any required tax
78 in specified circumstances; authorizing the department
79 to issue a notice of deficiency in certain
80 circumstances; providing applicability; requiring the
81 department to submit a certain annual report;
82 providing reporting requirements; providing department
83 duties in administering a specified tax credit
84 program; authorizing the Department of Revenue, the
85 Division of Historical Resources of the Department of
86 State, and the Florida Housing Finance Corporation to
87 adopt rules; amending s. 420.503, F.S.; revising the

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88 definition of the term "qualified contract"; amending
89 s. 420.50871, F.S.; defining the term "urban infill";
90 revising the types of affordable housing projects
91 funded by the Florida Housing Finance Corporation;
92 prohibiting the corporation from requiring certain
93 projects to use specified tax credits or financing;
94 amending s. 420.50872, F.S.; prohibiting projects
95 financed through the Live Local Program from being
96 required to use specified tax credits or financing;
97 amending s. 624.509, F.S.; revising the order of
98 credits and deductions taken against a specified tax;
99 providing applicability; providing an effective date.

100

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

102

103 Section 1. Subsections (1) through (4) of section 196.1978,
104 Florida Statutes, are renumbered as subsections (2) through (5),
105 respectively, paragraphs (n) and (o) of present subsection (3)
106 of that section are redesignated as paragraphs (o) and (p),
107 respectively, present subsection (1), paragraphs (b) and (d) of
108 present subsection (2), paragraphs (a), (b), (d), (e), and (f)
109 and present paragraph (o) of present subsection (3), and
110 paragraphs (b), (d), and (f) of present subsection (4) of that
111 section are amended, a new paragraph (n) is added to present
112 subsection (3) of that section, and a new subsection (1) and
113 subsection (6) are added to that section, to read:

114 196.1978 Affordable housing property exemption.—

115 (1) As used in this section, the term:

116 (a) "Financial beneficiary" means any principal of the

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117 developer or applicant entity that receives or will receive any
118 direct or indirect financial benefit from a development. A
119 financial beneficiary does not include third-party lenders,
120 third-party management agents or companies, third-party service
121 providers, housing credit syndicators, or credit enhancers
122 regulated by a state or federal agency.

123 (b) "Multifamily project" includes multiple parcels or
124 properties with one or more of the same financial beneficiaries
125 if any of the following conditions are met:

126 1. Any part of any of the property site is contiguous with
127 any part of any of the other property sites;

128 2. Any of the property sites are divided only by a street
129 or easement; or

130 3. The properties are part of a common or related scheme of
131 development, as demonstrated by the applications, proximity,
132 chain of title, or other information made available to the
133 Florida Housing Finance Corporation or property appraiser.

134 (2) (a) ~~(1) (a)~~ Property used to provide affordable housing to
135 eligible persons as defined by s. 159.603 and natural persons or
136 families meeting the extremely-low-income, very-low-income, low-
137 income, or moderate-income limits specified in s. 420.0004,
138 which is owned entirely by a governmental entity or nonprofit
139 entity that is a corporation not for profit, qualified as
140 charitable under s. 501(c)(3) of the Internal Revenue Code and
141 in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717, is
142 considered property owned by an exempt entity and used for a
143 charitable purpose, and those portions of the affordable housing
144 property that provide housing to natural persons or families
145 classified as extremely low income, very low income, low income,

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146 or moderate income under s. 420.0004 are exempt from ad valorem
147 taxation to the extent authorized under s. 196.196. All property
148 identified in this subsection must comply with the criteria
149 provided under s. 196.195 for determining exempt status and
150 applied by property appraisers on an annual basis. The
151 Legislature intends that any property owned by a limited
152 liability company which is disregarded as an entity for federal
153 income tax purposes pursuant to Treasury Regulation 301.7701-
154 3(b)(1)(ii) be treated as owned by its sole member. If the sole
155 member of the limited liability company that owns the property
156 is also a limited liability company that is disregarded as an
157 entity for federal income tax purposes pursuant to Treasury
158 Regulation 301.7701-3(b)(1)(ii), the Legislature intends that
159 the property be treated as owned by the sole member of the
160 limited liability company that owns the limited liability
161 company that owns the property. Units that are vacant and units
162 that are occupied by natural persons or families whose income no
163 longer meets the income limits of this subsection, but whose
164 income met those income limits at the time they became tenants,
165 shall be treated as portions of the affordable housing property
166 exempt under this subsection if a recorded land use restriction
167 agreement in favor of the Florida Housing Finance Corporation, a
168 housing finance authority as defined in s. 159.603(3), or any
169 other governmental or quasi-governmental jurisdiction requires
170 that all residential units within the property be used in a
171 manner that qualifies for the exemption under this subsection
172 and if the units are being offered for rent.

173 (b) Land that is owned entirely by a governmental entity or
174 a nonprofit entity that is a corporation not for profit,

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175 qualified as charitable under s. 501(c)(3) of the Internal
176 Revenue Code and in compliance with Rev. Proc. 96-32, 1996-1
177 C.B. 717, and is leased for a minimum of 90 ~~99~~ years for the
178 purpose of, and is predominantly used for, providing housing to
179 natural persons or families meeting the extremely-low-income,
180 very-low-income, low-income, or moderate-income limits specified
181 in s. 420.0004 is exempt from ad valorem taxation. For purposes
182 of this paragraph, land is predominantly used for qualifying
183 purposes if the square footage of the improvements on the land
184 used to provide qualifying housing is greater than 50 percent of
185 the square footage of all improvements on the land.
186 Notwithstanding ss. 196.195 and 196.196, all improvements used
187 to provide qualifying housing on land that is exempt from ad
188 valorem taxation are also exempt from such taxation. This
189 paragraph first applies to the 2024 tax roll and is repealed
190 December 31, 2059.

191 (3) ~~(2)~~

192 (b) The multifamily project must:

- 193 1. Contain at least one unit that is ~~more than 70 units~~
194 ~~that are used to, or, for an adaptive reuse project as defined~~
195 in s. 196.1979(1), at least 20 percent of the project's
196 residential units must be used to, provide affordable housing to
197 natural persons or families meeting the extremely-low-income,
198 very-low-income, or low-income limits specified in s. 420.0004;
199 and
- 200 2. Be subject to an agreement with the Florida Housing
201 Finance Corporation, or a housing finance authority as defined
202 in s. 159.603(3), recorded in the official records of the county
203 in which the property is located to provide affordable housing

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204 to natural persons or families meeting the extremely-low-income,
205 very-low-income, or low-income limits specified in s. 420.0004.

206
207 This exemption terminates if the property no longer serves
208 extremely-low-income, very-low-income, or low-income persons
209 pursuant to the recorded agreement.

210 (d) The property appraiser shall apply the exemption to
211 those portions of the affordable housing property that are
212 dedicated to providing ~~provide~~ housing to natural persons or
213 families meeting the extremely-low-income, very-low-income, or
214 low-income limits specified in s. 420.0004 before certifying the
215 tax roll to the tax collector.

216 ~~(4) (a) (3) (a)~~ As used in this subsection, the term:

217 1. "Corporation" means the Florida Housing Finance
218 Corporation.

219 2. "Improvement to real property" includes new
220 construction, substantial rehabilitation of an existing
221 multifamily project, or conversion from another use to
222 multifamily.

223 ~~3.2.~~ "Newly constructed" means an improvement, or the
224 substantial rehabilitation of an existing improvement, to real
225 property which was substantially completed within 5 years before
226 the date of the property owner's ~~an applicant's~~ first submission
227 of a request for a certification notice pursuant to this
228 subsection.

229 4. "Substantial rehabilitation" means the meaningful repair
230 or restoration of a property when the total value of such
231 meaningful repair or restoration is equal to the greater of
232 \$15,000 per unit or \$750 per unit, per year of building age,

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233 which is the difference between the year in which the property
 234 received the certificate of occupancy and the year in which the
 235 property first received the certification notice. Meaningful
 236 repairs or restorations may be reasonably allocated among in-
 237 unit, common area, superstructure, substructure, mechanical,
 238 electrical, plumbing, and other property repairs or restorations
 239 that prolong the useful life of the building. Meaningful repairs
 240 or restorations include onsite improvements, offsite
 241 improvements, rehabilitation costs for physical improvements to
 242 the property, and construction contingency but do not include
 243 general contractor fees or overhead, general requirements,
 244 architect and engineering fees, permit fees, financing or soft
 245 costs, and developer fees.

246 5.3- "Substantially completed" means the date on which a
 247 project receives its certificate of occupancy. If the project
 248 has multiple buildings or phases, the property owner must submit
 249 its first submission of a request for a certification notice
 250 within 5 years after the date on which the last certificate of
 251 occupancy was issued for the project ~~has the same meaning as in~~
 252 ~~s. 192.042(1).~~

253 (b) Notwithstanding ss. 196.195 and 196.196, portions of
 254 property in a multifamily project are considered property used
 255 for a charitable purpose and are eligible to receive an ad
 256 valorem property tax exemption if such portions meet all of the
 257 following conditions:

258 ~~1. Provide affordable housing to natural persons or~~
 259 ~~families meeting the income limitations provided in paragraph~~
 260 ~~(d).~~

261 1.a.2.a. Are within a newly constructed multifamily project

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262 that contains at least one unit that is ~~more than 70 units~~
263 dedicated to, or, for an adaptive reuse project as defined in s.
264 196.1979(1), at least 20 percent of the project's residential
265 units are dedicated to, housing natural persons or families
266 meeting the income limitations provided in paragraph (d); or

267 b. Are within a newly constructed multifamily project, or
268 an adaptive reuse project as defined in s. 196.1979(1), in an
269 area of critical state concern, as designated by s. 380.0552 or
270 chapter 28-36, Florida Administrative Code, which contains more
271 than 10 units dedicated to, or, for an adaptive reuse project,
272 at least 20 percent of the project's residential units are
273 dedicated to, housing natural persons or families meeting the
274 income limitations provided in paragraph (d).

275 ~~2.3-~~ Are rented or, if vacant, posted for rent for an
276 amount that does not exceed the amount as specified by the most
277 recent multifamily rental programs income and rent limit chart
278 posted by the corporation and derived from the Multifamily Tax
279 Subsidy Projects Income Limits published by the United States
280 Department of Housing and Urban Development or 90 percent of the
281 fair market value rent as determined by a rental market study
282 meeting the requirements of paragraph (1), whichever is less.

283 (d)1. The property appraiser shall exempt:

284 a. Seventy-five percent of the assessed value of the units
285 in multifamily projects that meet the requirements of this
286 subsection and are used to house natural persons or families
287 whose annual household income at the time the lease is executed
288 is greater than 80 percent but not more than 120 percent of the
289 median annual adjusted gross income for households within the
290 metropolitan statistical area or, if not within a metropolitan

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291 statistical area, within the county in which the person or
292 family resides; ~~and~~

293 b. From ad valorem property taxes the units in multifamily
294 projects that meet the requirements of this subsection and are
295 used to house natural persons or families whose annual household
296 income at the time the lease is executed does not exceed 80
297 percent of the median annual adjusted gross income for
298 households within the metropolitan statistical area or, if not
299 within a metropolitan statistical area, within the county in
300 which the person or family resides; and

301 c. At least 75 percent of the assessed value of all
302 affordable units within a qualified development authorized
303 pursuant to s. 125.01055 or s. 166.04151.

304
305 However, if the income of tenants residing in a unit that
306 received the exemption in the previous year increases above the
307 income thresholds prescribed in sub-subparagraphs a. and b., the
308 unit remains eligible for the exemption if the property owner
309 replaces the tenants with a natural person or family that
310 satisfies the income thresholds once the tenants voluntarily
311 vacate the unit.

312 2. When determining the value of a unit for purposes of
313 applying an exemption pursuant to this paragraph, the property
314 appraiser must include in such valuation the proportionate share
315 of the residential common areas, including the land, fairly
316 attributable to such unit. The property appraiser shall
317 calculate the value of the exemption based on the number of
318 units satisfying the income and rent requirements of this
319 subsection, which shall include the proportionate share of the

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320 residential common areas attributable to each unit.

321 (e) To be eligible to receive an exemption under this
322 subsection, a property owner must submit an application on a
323 form prescribed by the department by March 1 for the exemption,
324 accompanied by a certification notice from the corporation to
325 the property appraiser. The property appraiser shall review the
326 application and determine whether the original applicant or
327 subsequent property owner meets all of the requirements of this
328 subsection and is entitled to an exemption. A property appraiser
329 may request and review additional information necessary to make
330 such determination. A property appraiser may grant an exemption
331 only for a property for which the corporation has issued a
332 certification notice and which the property appraiser determines
333 is entitled to an exemption.

334 (f) To receive a certification notice, a property owner
335 must submit a request to the corporation on a form provided by
336 the corporation which includes all of the following:

337 1. The most recently completed rental market study meeting
338 the requirements of paragraph (1).

339 2. A list of the units for which the property owner seeks
340 an exemption. The property owner of a multifamily project that
341 receives an exemption in any taxable year may:

342 a. Revise the list for an exemption sought in any
343 subsequent taxable year by adding units to the list or removing
344 units from the list or both; or

345 b. Increase or decrease the number of units for which an
346 exemption is sought in any subsequent taxable year,

347
348 so long as the multifamily project continues to meet any minimum

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349 number or percentage of units dedicated to affordable housing,
350 which is required by law for the exemption.

351 3. The rent amount received by the property owner for each
352 occupied unit and the published rent amount for each vacant unit
353 for which the property owner seeks an exemption. If a unit is
354 vacant and qualifies for an exemption under paragraph (c), the
355 property owner must provide evidence of the published rent
356 amount for each vacant unit.

357 4. A sworn statement, under penalty of perjury, from the
358 applicant restricting the property for a period of not less than
359 3 years to housing persons or families who meet the income
360 limitations under this subsection. If the property is
361 foreclosed, the foreclosing party may elect to void the sworn
362 statement and remove the project from qualifying for the
363 exemption or, if the project remains in compliance with this
364 subsection, continue to apply for and receive the exemption.

365 (n) Upon the request of a property owner, the property
366 appraiser must issue a letter to verify that a multifamily
367 project, if constructed and leased as described in the site
368 plan, qualifies for the exemption under this section. Within 30
369 days after receipt of the request described in this paragraph,
370 the property appraiser must issue a verification letter or
371 explain why the project is ineligible for the exemption. A
372 project that has received a verification letter before the
373 adoption of the ordinance described in paragraph (p) is exempt
374 from such ordinance. The verification letter is prima facie
375 evidence that the project is eligible for the exemption if the
376 project is constructed and leased as described in the site plan
377 used to receive the verification letter. This letter shall

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378 qualify the project, if constructed and leased as described in
379 the site plan, to obtain the exemption beginning with the
380 January 1 assessment immediately after the date on which the
381 property obtains a certificate of occupancy and is placed in
382 service allowing the property to be used as an affordable
383 housing property.

384 (p)1.~~(e)1.~~ Beginning with the 2025 tax roll, a taxing
385 authority may elect, upon adoption of an ordinance ~~or resolution~~
386 approved by a two-thirds vote of the governing body, not to
387 exempt property under sub-subparagraph (d)1.a. located in a
388 county specified pursuant to subparagraph 2., subject to the
389 conditions of this paragraph.

390 2. A taxing authority must make a finding in the ordinance
391 ~~or resolution~~ that annual housing reports ~~the most recently~~
392 published by the Shimberg Center for Housing Studies ~~Annual~~
393 ~~Report, prepared~~ pursuant to s. 420.6075 identify, ~~identifies~~
394 that a county that is part of the jurisdiction of the taxing
395 authority is within a metropolitan statistical area or region
396 where, for each of the previous 3 years, the number of
397 affordable and available units in the metropolitan statistical
398 area or region is greater than the number of renter households
399 in the metropolitan statistical area or region for the category
400 entitled "0-120 percent AMI."

401 3. An election made pursuant to this paragraph may apply
402 only to the ad valorem property tax levies imposed within a
403 county specified pursuant to subparagraph 2. by the taxing
404 authority making the election.

405 4. The ordinance or ~~resolution~~ must take effect on the
406 January 1 immediately succeeding adoption and shall expire on

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407 the following ~~second~~ January 1 ~~after the January 1 in which the~~
408 ~~ordinance or resolution takes effect~~. The ordinance or
409 ~~resolution~~ may be renewed before ~~prior to~~ its expiration
410 pursuant to this paragraph if the taxing authority makes the
411 same finding required in subparagraph 2.

412 5. The taxing authority proposing to make an election under
413 this paragraph must advertise the ordinance ~~or resolution~~ or
414 renewal thereof pursuant to the requirements of s. 50.011(1)
415 before ~~prior to~~ adoption. The taxing authority may not utilize
416 the emergency enactment procedures under s. 125.66.

417 6. The taxing authority must provide to the property
418 appraiser the adopted ordinance ~~or resolution~~ or renewal thereof
419 by the effective date of the ordinance ~~or resolution~~ or renewal
420 thereof.

421 7. Notwithstanding an ordinance ~~or resolution~~ or renewal
422 thereof adopted pursuant to this paragraph, a ~~property owner of~~
423 ~~a~~ multifamily project that ~~who~~ was granted an exemption, at
424 least in part, pursuant to sub-subparagraph (d)1.a. before ~~the~~
425 adoption or renewal of an ~~such~~ ordinance ~~or resolution~~ may
426 continue to receive an ~~such~~ exemption for each subsequent
427 consecutive year that the property owner, or a subsequent owner,
428 transferee, or assignee, applies for and is granted the
429 exemption.

430 8. Notwithstanding an ordinance or renewal thereof adopted
431 pursuant to this paragraph, a proposed development that has been
432 administratively approved before the adoption or renewal of such
433 ordinance must be eligible to receive the exemption for each
434 year it applies for and is granted the exemption.

435 9. Before adoption of an ordinance pursuant to this

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436 paragraph, the taxing authority must conduct an assessment on
437 the taxing authority's current need for affordable housing at
438 each of the extremely-low-income, very-low-income, and low-
439 income limits specified in s. 420.0004, including supply and
440 demand projections of such need for at least the next 5 years.
441 The needs assessment must be presented at the same public
442 meeting at which the proposed ordinance imposing the building
443 moratorium is adopted by the taxing authority's governing body.

444 10. A taxing authority adopting or renewing an ordinance
445 pursuant to this paragraph must provide notice of such ordinance
446 to the corporation in the format prescribed by the corporation.
447 Each year, within 60 days before the regular session of the
448 Legislature, the corporation shall submit an annual report to
449 the Governor, the President of the Senate, and the Speaker of
450 the House of Representatives on the adoption or renewal of such
451 ordinances.

452 11. The owner of a multifamily project that would otherwise
453 qualify for an affordable housing ad valorem tax exemption under
454 this subsection, which is adversely affected by an ordinance
455 adopted or renewed in violation of this paragraph, has a cause
456 of action against the taxing authority and may recover
457 injunctive relief and compensatory damages therefor before a
458 court of competent jurisdiction. The court may also award
459 reasonable attorney fees and costs, not to exceed \$100,000, to a
460 prevailing plaintiff. For purposes of this subparagraph, the
461 term "reasonable attorney fees and costs" means the reasonable
462 and necessary attorney fees and costs incurred for all
463 preparations, motions, hearings, trials, and appeals in a
464 proceeding. The term does not include attorney fees or costs

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465 directly incurred by or associated with litigation to determine
466 an award of reasonable attorney fees or costs.

467 (5)~~(4)~~

468 (b) The multifamily project must:

469 1. Be composed of an improvement to land where an
470 improvement did not previously exist or the construction of a
471 new improvement where an old improvement was removed, which was
472 substantially completed within 2 years before the first
473 submission of an application for exemption under this
474 subsection. For purposes of this subsection, the term
475 "substantially completed" has the same definition as in s.
476 192.042(1).

477 2. Contain at least one unit that is ~~more than 70 units~~
478 ~~that are used to, or, for an adaptive reuse project as defined~~
479 in s. 196.1979(1), at least 20 percent of the project's
480 residential units are used to, provide affordable housing to
481 natural persons or families meeting the extremely-low-income,
482 very-low-income, or low-income limits specified in s. 420.0004.

483 3. Be subject to a land use restriction agreement with the
484 Florida Housing Finance Corporation, or a housing finance
485 authority pursuant to part IV of chapter 159, recorded in the
486 official records of the county in which the property is located
487 that requires that the property be used for 99 years to provide
488 affordable housing to natural persons or families meeting the
489 extremely-low-income, very-low-income, low-income, or moderate-
490 income limits specified in s. 420.0004. The agreement must
491 include a provision for a penalty for ceasing to provide
492 affordable housing under the agreement before the end of the
493 agreement term that is equal to 100 percent of the total value

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494 of the ad valorem tax exemption received to date amount financed
495 by the corporation multiplied by each year remaining in the
496 agreement. The agreement may be terminated or modified without
497 penalty if the exemption under this subsection is repealed.

498

499 The property is no longer eligible for this exemption if the
500 property no longer serves extremely-low-income, very-low-income,
501 or low-income persons pursuant to the recorded agreement.

502 (d)1. The property appraiser shall apply the exemption to
503 those portions of the affordable housing property that are
504 dedicated to providing ~~provide~~ housing to natural persons or
505 families meeting the extremely-low-income, very-low-income, or
506 low-income limits specified in s. 420.0004 before certifying the
507 tax roll to the tax collector.

508 2. When determining the value of the portion of property
509 used to provide affordable housing for purposes of applying an
510 exemption pursuant to this subsection, the property appraiser
511 must include in such valuation the proportionate share of the
512 residential common areas, including the land, fairly
513 attributable to such portion of property.

514 (f) Property receiving an exemption pursuant to subsection
515 (4) ~~(3)~~ or s. 196.1979 is not eligible for this exemption.

516 (6) A person who purchases a property described in
517 subparagraph (3)(b)2. is eligible to continue to receive an
518 exemption under this section until December 31, 2059, as long as
519 the property complies with the requirements of this section.

520 Section 2. Subsections (1) through (8) and (9) of section
521 196.1979, Florida Statutes, are renumbered as subsections (2)
522 through (9) and (12), respectively, present subsection (1),

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523 paragraphs (c), (e), (i), and (j) of present subsection (3), and
524 present subsection (4) of that section are amended, and a new
525 subsection (1) and subsections (10) and (11) are added to that
526 section, to read:

527 196.1979 County and municipal affordable housing property
528 exemption.—

529 (1) As used in this section, the term "adaptive reuse
530 project" means a conversion of an existing nonresidential
531 building or structure into multifamily or mixed-use residential
532 housing.

533 (2) (a) ~~(1) (a)~~ Notwithstanding ss. 196.195 and 196.196, the
534 board of county commissioners of a county or the governing body
535 of a municipality may adopt an ordinance to exempt those
536 portions of property used to provide affordable housing meeting
537 the requirements of this section. Such property is considered
538 property used for a charitable purpose. To be eligible for the
539 exemption, the portions of property:

540 1. Must be used to house natural persons or families whose
541 annual household income:

542 a. Is greater than 30 percent but not more than 60 percent
543 of the median annual adjusted gross income for households within
544 the metropolitan statistical area or, if not within a
545 metropolitan statistical area, within the county in which the
546 person or family resides; or

547 b. Does not exceed 30 percent of the median annual adjusted
548 gross income for households within the metropolitan statistical
549 area or, if not within a metropolitan statistical area, within
550 the county in which the person or family resides;

551 2. Must be within a multifamily project containing 50 or

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552 more residential units, or less as provided in subparagraph
553 (c)2., or an adaptive reuse project of which at least 20 percent
554 of the project's residential units ~~which~~ are used to provide
555 affordable housing that meets the requirements of this section;

556 3. Must be rented for an amount no greater than the amount
557 as specified by the most recent multifamily rental programs
558 income and rent limit chart posted by the corporation and
559 derived from the Multifamily Tax Subsidy Projects Income Limits
560 published by the United States Department of Housing and Urban
561 Development or 90 percent of the fair market value rent as
562 determined by a rental market study meeting the requirements of
563 subsection (5) ~~(4)~~, whichever is less;

564 4. May not have been cited for code violations on three or
565 more occasions in the 24 months before the submission of a tax
566 exemption application;

567 5. May not have any cited code violations that have not
568 been properly remedied by the property owner before the
569 submission of a tax exemption application; and

570 6. May not have any unpaid fines or charges relating to the
571 cited code violations. Payment of unpaid fines or charges before
572 a final determination on a property's qualification for an
573 exemption under this section will not exclude such property from
574 eligibility if the property otherwise complies with all other
575 requirements for the exemption.

576 (b) Qualified property may receive an ad valorem property
577 tax exemption of:

578 1. Up to 75 percent of the assessed value of each
579 residential unit used to provide affordable housing if fewer
580 than 100 percent of the multifamily project's or adaptive reuse

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581 project's residential units are used to provide affordable
582 housing meeting the requirements of this section.

583 2. Up to 100 percent of the assessed value of each
584 residential unit used to provide affordable housing if 100
585 percent of the multifamily project's or adaptive reuse project's
586 residential units are used to provide affordable housing meeting
587 the requirements of this section.

588 (c) The board of county commissioners of the county or the
589 governing body of the municipality, as applicable, may choose to
590 adopt an ordinance that exempts property:

591 1. Used to provide affordable housing for natural persons
592 or families meeting the income limits of sub-subparagraph
593 (a)1.a., natural persons or families meeting the income limits
594 of sub-subparagraph (a)1.b., or both.

595 2. Within a multifamily project containing at least five
596 units.

597 ~~(4)(3)~~ An ordinance granting the exemption authorized by
598 this section must:

599 (c) Require the property owner to apply for certification
600 by the local entity in order to receive the exemption. The
601 application for certification must be on a form provided by the
602 local entity designated pursuant to paragraph (b) and include
603 all of the following:

604 1. The most recently completed rental market study meeting
605 the requirements of subsection (5) ~~(4)~~.

606 2. A list of the units for which the property owner seeks
607 an exemption.

608 3. The rent amount received by the property owner for each
609 unit for which the property owner seeks an exemption. If a unit

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610 is vacant and qualifies for an exemption under subsection (3)
611 ~~(2)~~, the property owner must provide evidence of the published
612 rent amount for the vacant unit.

613 (e) Require the eligible unit to meet the eligibility
614 criteria of paragraph (2) (a) ~~(1) (a)~~.

615 (i) Identify the percentage of the assessed value which is
616 exempted, subject to the percentage limitations in paragraph
617 (2) (b) ~~(1) (b)~~.

618 (j) Identify whether the exemption applies to natural
619 persons or families meeting the income limits of sub-
620 subparagraph (2) (a) 1.a. ~~(1) (a) 1.a.~~, natural persons or families
621 meeting the income limits of sub-subparagraph (2) (a) 1.b.
622 ~~(1) (a) 1.b.~~, or both.

623 (5) (4) A rental market study submitted as required by
624 paragraph (4) (c) ~~(3) (e)~~ must identify the fair market value rent
625 of each unit for which a property owner seeks an exemption. Only
626 a certified general appraiser, as defined in s. 475.611, may
627 issue a rental market study. The certified general appraiser
628 must be independent of the property owner who requests a rental
629 market study. In preparing the rental market study, a certified
630 general appraiser shall comply with the standards of
631 professional practice pursuant to part II of chapter 475 and use
632 comparable property within the same geographic area and of the
633 same type as the property for which the exemption is sought. A
634 rental market study must have been completed within 3 years
635 before submission of the application.

636 (10) A qualifying development authorized pursuant to s.
637 125.01055 or s. 166.04151 may abate up to 20 percent of the
638 development's ad valorem property tax for a period of 10 years

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639 by paying an amount equal to 20 percent of the total amount of
640 the ad valorem property taxes to be abated at the time a
641 building permit is issued for the qualifying development.

642 (11) The Florida Housing Finance Corporation shall adopt
643 rules establishing standards for monitoring and compliance of a
644 property owner that receives an ad valorem property tax
645 exemption under this section, including a multifamily project's
646 or adaptive reuse project's minimum number or percentage of
647 residential units used to provide affordable housing that meets
648 the requirements of this section. A county or municipality may
649 not impose compliance monitoring requirements more stringent
650 than the standards adopted by the corporation.

651 Section 3. Paragraph (d) of subsection (2) of section
652 212.055, Florida Statutes, is amended to read:

653 212.055 Discretionary sales surtaxes; legislative intent;
654 authorization and use of proceeds.—It is the legislative intent
655 that any authorization for imposition of a discretionary sales
656 surtax shall be published in the Florida Statutes as a
657 subsection of this section, irrespective of the duration of the
658 levy. Each enactment shall specify the types of counties
659 authorized to levy; the rate or rates which may be imposed; the
660 maximum length of time the surtax may be imposed, if any; the
661 procedure which must be followed to secure voter approval, if
662 required; the purpose for which the proceeds may be expended;
663 and such other requirements as the Legislature may provide.
664 Taxable transactions and administrative procedures shall be as
665 provided in s. 212.054.

666 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

667 (d) The proceeds of the surtax authorized by this

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668 subsection and any accrued interest shall be expended by the
669 school district, within the county and municipalities within the
670 county, or, in the case of a negotiated joint county agreement,
671 within another county, to finance, plan, and construct
672 infrastructure; to acquire any interest in land for public
673 recreation, conservation, or protection of natural resources or
674 to prevent or satisfy private property rights claims resulting
675 from limitations imposed by the designation of an area of
676 critical state concern; to provide loans, grants, or rebates to
677 residential or commercial property owners who make energy
678 efficiency improvements to their residential or commercial
679 property, if a local government ordinance authorizing such use
680 is approved by referendum; or to finance the closure of county-
681 owned or municipally owned solid waste landfills that have been
682 closed or are required to be closed by order of the Department
683 of Environmental Protection. Any use of the proceeds or interest
684 for purposes of landfill closure before July 1, 1993, is
685 ratified. The proceeds and any interest may not be used for the
686 operational expenses of infrastructure, except that a county
687 that has a population of fewer than 75,000 and that is required
688 to close a landfill may use the proceeds or interest for long-
689 term maintenance costs associated with landfill closure.
690 Counties, as defined in s. 125.011, and charter counties may, in
691 addition, use the proceeds or interest to retire or service
692 indebtedness incurred for bonds issued before July 1, 1987, for
693 infrastructure purposes, and for bonds subsequently issued to
694 refund such bonds. Any use of the proceeds or interest for
695 purposes of retiring or servicing indebtedness incurred for
696 refunding bonds before July 1, 1999, is ratified.

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697 1. For the purposes of this paragraph, the term
698 "infrastructure" means:

699 a. Any fixed capital expenditure or fixed capital outlay
700 associated with the construction, reconstruction, or improvement
701 of public facilities that have a life expectancy of 5 or more
702 years, any related land acquisition, land improvement, design,
703 and engineering costs, and all other professional and related
704 costs required to bring the public facilities into service. For
705 purposes of this sub-subparagraph, the term "public facilities"
706 means facilities as defined in s. 163.3164(41), s. 163.3221(13),
707 or s. 189.012(5), and includes facilities that are necessary to
708 carry out governmental purposes, including, but not limited to,
709 fire stations, general governmental office buildings, and animal
710 shelters, regardless of whether the facilities are owned by the
711 local taxing authority or another governmental entity.

712 b. A fire department vehicle, an emergency medical service
713 vehicle, a sheriff's office vehicle, a police department
714 vehicle, or any other vehicle, and the equipment necessary to
715 outfit the vehicle for its official use or equipment that has a
716 life expectancy of at least 5 years.

717 c. Any expenditure for the construction, lease, or
718 maintenance of, or provision of utilities or security for,
719 facilities, as defined in s. 29.008.

720 d. Any fixed capital expenditure or fixed capital outlay
721 associated with the improvement of private facilities that have
722 a life expectancy of 5 or more years and that the owner agrees
723 to make available for use on a temporary basis as needed by a
724 local government as a public emergency shelter or a staging area
725 for emergency response equipment during an emergency officially

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726 declared by the state or by the local government under s.
727 252.38. Such improvements are limited to those necessary to
728 comply with current standards for public emergency evacuation
729 shelters. The owner must enter into a written contract with the
730 local government providing the improvement funding to make the
731 private facility available to the public for purposes of
732 emergency shelter at no cost to the local government for a
733 minimum of 10 years after completion of the improvement, with
734 the provision that the obligation will transfer to any
735 subsequent owner until the end of the minimum period.

736 e. Any land acquisition expenditure for a residential
737 housing project in which at least 30 percent of the units are
738 affordable to individuals or families whose total annual
739 household income does not exceed 120 percent of the area median
740 income adjusted for household size, if the land is owned by a
741 local government or by a special district that enters into a
742 written agreement with the local government to provide such
743 housing. The local government or special district may enter into
744 a ground lease with a public or private person or entity for
745 nominal or other consideration for the construction of the
746 residential housing project on land acquired pursuant to this
747 sub-subparagraph.

748 f. Any expenditure to construct or rehabilitate housing
749 that, for a period of at least 30 years, is affordable as
750 defined in s. 420.0004.

751 g.f. Instructional technology used solely in a school
752 district's classrooms. As used in this sub-subparagraph, the
753 term "instructional technology" means an interactive device that
754 assists a teacher in instructing a class or a group of students

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755 and includes the necessary hardware and software to operate the
756 interactive device. The term also includes support systems in
757 which an interactive device may mount and is not required to be
758 affixed to the facilities.

759 2. For the purposes of this paragraph, the term "energy
760 efficiency improvement" means any energy conservation and
761 efficiency improvement that reduces consumption through
762 conservation or a more efficient use of electricity, natural
763 gas, propane, or other forms of energy on the property,
764 including, but not limited to, air sealing; installation of
765 insulation; installation of energy-efficient heating, cooling,
766 or ventilation systems; installation of solar panels; building
767 modifications to increase the use of daylight or shade;
768 replacement of windows; installation of energy controls or
769 energy recovery systems; installation of electric vehicle
770 charging equipment; installation of systems for natural gas fuel
771 as defined in s. 206.9951; and installation of efficient
772 lighting equipment.

773 3. Notwithstanding any other provision of this subsection,
774 a local government infrastructure surtax imposed or extended
775 after July 1, 1998, may allocate up to 15 percent of the surtax
776 proceeds for deposit into a trust fund within the county's
777 accounts created for the purpose of funding economic development
778 projects having a general public purpose of improving local
779 economies, including the funding of operational costs and
780 incentives related to economic development. The ballot statement
781 must indicate the intention to make an allocation under the
782 authority of this subparagraph.

783 Section 4. Subsections (24) and (25) of section 213.053,

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784 Florida Statutes, are renumbered as subsections (25) and (26),
785 respectively, and a new subsection (24) is added to that
786 section, to read:

787 213.053 Confidentiality and information sharing.—

788 (24) The department may make available to the Division of
789 Historical Resources of the Department of State and the
790 Secretary of the Interior or his or her delegate, exclusively
791 for official purposes, information for the purposes of
792 administering s. 220.197.

793 Section 5. Subsection (8) of section 220.02, Florida
794 Statutes, is amended to read:

795 220.02 Legislative intent.—

796 (8) It is the intent of the Legislature that credits
797 against either the corporate income tax or the franchise tax be
798 applied in the following order: those enumerated in s. 631.828,
799 those enumerated in s. 220.191, those enumerated in s. 220.181,
800 those enumerated in s. 220.183, those enumerated in s. 220.182,
801 those enumerated in s. 220.1895, those enumerated in s. 220.195,
802 those enumerated in s. 220.184, those enumerated in s. 220.186,
803 those enumerated in s. 220.1845, those enumerated in s. 220.19,
804 those enumerated in s. 220.185, those enumerated in s. 220.1875,
805 those enumerated in s. 220.1876, those enumerated in s.
806 220.1877, those enumerated in s. 220.1878, those enumerated in
807 s. 220.193, those enumerated in former s. 288.9916, those
808 enumerated in former s. 220.1899, those enumerated in former s.
809 220.194, those enumerated in s. 220.196, those enumerated in s.
810 220.198, those enumerated in s. 220.1915, those enumerated in s.
811 220.199, those enumerated in s. 220.1991, ~~and~~ those enumerated
812 in s. 220.1992, and those enumerated in s. 220.197.

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813 Section 6. Paragraph (a) of subsection (1) of section
814 220.13, Florida Statutes, is amended to read:

815 220.13 "Adjusted federal income" defined.—

816 (1) The term "adjusted federal income" means an amount
817 equal to the taxpayer's taxable income as defined in subsection
818 (2), or such taxable income of more than one taxpayer as
819 provided in s. 220.131, for the taxable year, adjusted as
820 follows:

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

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

827 b. Notwithstanding sub-subparagraph a., if a credit taken
828 under s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878 is
829 added to taxable income in a previous taxable year under
830 subparagraph 1. and is taken as a deduction for federal tax
831 purposes in the current taxable year, the amount of the
832 deduction allowed shall not be added to taxable income in the
833 current year. The exception in this sub-subparagraph is intended
834 to ensure that the credit under s. 220.1875, s. 220.1876, s.
835 220.1877, or s. 220.1878 is added in the applicable taxable year
836 and does not result in a duplicate addition in a subsequent
837 year.

838 2. The amount of interest which is excluded from taxable
839 income under s. 103(a) of the Internal Revenue Code or any other
840 federal law, less the associated expenses disallowed in the
841 computation of taxable income under s. 265 of the Internal

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842 Revenue Code or any other law, excluding 60 percent of any
843 amounts included in alternative minimum taxable income, as
844 defined in s. 55(b)(2) of the Internal Revenue Code, if the
845 taxpayer pays tax under s. 220.11(3).

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

850 4. That portion of the wages or salaries paid or incurred
851 for the taxable year which is equal to the amount of the credit
852 allowable for the taxable year under s. 220.181. This
853 subparagraph shall expire on the date specified in s. 290.016
854 for the expiration of the Florida Enterprise Zone Act.

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

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

863 7. That portion of assessments to fund a guaranty
864 association incurred for the taxable year which is equal to the
865 amount of the credit allowable for the taxable year.

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

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871 9. The amount taken as a credit for the taxable year under
872 s. 220.1895.

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

876 11. Any amount taken as a credit for the taxable year under
877 s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878. The
878 addition in this subparagraph is intended to ensure that the
879 same amount is not allowed for the tax purposes of this state as
880 both a deduction from income and a credit against the tax. This
881 addition is not intended to result in adding the same expense
882 back to income more than once.

883 12. The amount taken as a credit for the taxable year under
884 s. 220.193.

885 13. The amount taken as a credit for the taxable year under
886 s. 220.196. The addition in this subparagraph is intended to
887 ensure that the same amount is not allowed for the tax purposes
888 of this state as both a deduction from income and a credit
889 against the tax. The addition is not intended to result in
890 adding the same expense back to income more than once.

891 14. The amount taken as a credit for the taxable year
892 pursuant to s. 220.198.

893 15. The amount taken as a credit for the taxable year
894 pursuant to s. 220.1915.

895 16. The amount taken as a credit for the taxable year
896 pursuant to s. 220.199.

897 17. The amount taken as a credit for the taxable year
898 pursuant to s. 220.1991.

899 18. The amount taken as a credit for the taxable year

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900 pursuant to s. 220.197.

901 Section 7. Paragraph (e) of subsection (1) of section
902 220.185, Florida Statutes, is amended to read:

903 220.185 State housing tax credit.—

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

905 (e) “Qualified project” means:

906 1. A project located in an urban infill area, at least 50
907 percent of which, on a cost basis, consists of a qualified low-
908 income project within the meaning of s. 42(g) of the Internal
909 Revenue Code, including such projects designed specifically for
910 the elderly but excluding any income restrictions imposed
911 pursuant to s. 42(g) of the Internal Revenue Code upon residents
912 of the project unless such restrictions are otherwise
913 established by the Florida Housing Finance Corporation pursuant
914 to s. 420.5093, and the remainder of which constitutes
915 commercial or single-family residential development consistent
916 with and serving to complement the qualified low-income project;
917 or

918 2. A qualified low-income project within the meaning of s.
919 42(g) of the Internal Revenue Code, of which 100 percent of the
920 units are restricted to serve low-income residents as defined in
921 s. 420.0004.

922
923 However, any project that has received financing from the State
924 Apartment Incentive Loan Program or State Housing Initiatives
925 Partnership Program, or that has received a low-income housing
926 tax credit from the Florida Housing Finance Corporation, may not
927 be considered a qualified project.

928 Section 8. Section 220.197, Florida Statutes, is created to

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929 read:

930 220.197 Florida Housing Revitalization Act; tax credits;
931 reports.-932 (1) SHORT TITLE.—This section may be cited as the “Florida
933 Housing Revitalization Act.”934 (2) DEFINITIONS.—As used in this section, the term:935 (a) “Affordable” has the same meaning as in s. 420.0004(3).936 (b) “Certified historic structure” means a building,
937 including its structural components, as defined in 36 C.F.R. s.
938 67.2, which is of a character subject to the allowance for
939 depreciation provided in s. 167 of the Internal Revenue Code of
940 1986, as amended, and which is:941 1. Individually listed in the National Register of Historic
942 Places; or943 2. Located within a registered historic district and
944 certified by the Secretary of the Interior as being of historic
945 significance to the registered historic district as set forth in
946 36 C.F.R. s. 67.2.947 (c) “Certified rehabilitation” means the rehabilitation of
948 a certified historic structure that the Secretary of the
949 Interior has certified to the Secretary of the Treasury as being
950 consistent with the historic character of the certified historic
951 structure and, if applicable, consistent with the registered
952 historic district in which the certified historic structure is
953 located as set forth in 36 C.F.R. s. 67.2.954 (d) “Corporation” means the Florida Housing Finance
955 Corporation.956 (e) “Division” means the Division of Historical Resources
957 of the Department of State.

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958 (f) "Long-term leasehold" means a leasehold in a
959 nonresidential real property for a term of 39 years or more or a
960 leasehold in a residential real property for a term of 27.5
961 years or more.

962 (g) "National Register of Historic Places" means the list
963 of historic properties significant in American history,
964 architecture, archeology, engineering, and culture maintained by
965 the Secretary of the Interior as authorized in 54 U.S.C. s.
966 3021.

967 (h) "Placed in service" means when the property is first
968 placed by the taxpayer in a condition or state of readiness and
969 availability for a specifically assigned function, whether for
970 use in a trade or business, for the production of income, or in
971 a tax-exempt activity.

972 (i) "Qualified expenses" means rehabilitation expenditures
973 incurred in this state that qualify for the credit under 26
974 U.S.C. s. 47.

975 (j) "Registered historic district" means a district listed
976 in the National Register of Historic Places or a district:

977 1. Designated under general law or local ordinance and
978 certified by the Secretary of the Interior as meeting criteria
979 that will substantially achieve the purposes of preserving and
980 rehabilitating buildings of historic significance to the
981 district; and

982 2. Certified by the Secretary of the Interior as meeting
983 substantially all of the requirements for listing a district in
984 the National Register of Historic Places.

985 (k) "Taxpayer" includes an insurer subject to the insurance
986 premium tax under s. 624.509.

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987 (1) "Workforce housing" has the same meaning as in s.
988 420.5095(3).

989 (3) ELIGIBILITY FOR TAX CREDIT.—For taxable years beginning
990 on or after January 1, 2026, there is allowed a credit in an
991 amount equal to 20 percent of the total qualified expenses
992 incurred in rehabilitating a certified historic structure that
993 has been approved by the National Park Service to receive the
994 federal historic rehabilitation tax credit. The credit may be
995 used against any tax due for a taxable year under this chapter
996 and the insurance premium tax imposed in s. 624.509 after the
997 application of any other allowable credits. An insurer claiming
998 a credit against insurance premium liability tax under this
999 section may not be required to pay any additional retaliatory
1000 tax levied pursuant to s. 624.5091 as a result of claiming such
1001 credit. Section 624.5091 does not limit such credit in any
1002 manner. A taxpayer may not receive more than \$2.5 million in tax
1003 credits for a single project, even if such credits are accrued
1004 over multiple tax years.

1005 (a) To receive a tax credit under this section, within 6
1006 months after the date a certified historical structure is placed
1007 into service, the taxpayer must apply to the division, and
1008 submit an application to the department, for a tax credit for
1009 qualified expenses in the amount and under the conditions and
1010 limitations provided in this section. The taxpayer must provide
1011 the division with all of the following:

- 1012 1. Documentation showing that:
1013 a. The rehabilitation is a certified rehabilitation.
1014 b. The structure is a certified historic structure, is
1015 income-producing, is located within the state, and was placed

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1016 into service on or after January 1, 2026.

1017 c. The taxpayer had an ownership or a long-term leasehold
1018 interest in the certified historic structure during the year in
1019 which such structure was placed into service after the certified
1020 rehabilitation was complete.

1021 d. The total qualified expenses incurred in rehabilitating
1022 the certified historic structure exceeded \$5,000.

1023 e. The applicant intends to exclusively utilize the
1024 historic structure to provide affordable or workforce housing.

1025 2. An official certificate of eligibility from the
1026 division, signed by the State Historic Preservation Officer or
1027 the Deputy State Historic Preservation Officer, attesting that
1028 the project has been approved by the National Park Service.

1029 3. National Park Service Form 10-168c (Rev. 2023), titled
1030 "Historic Preservation Certification Application Part 3-Request
1031 for Certification of Completed Work," or a similar form, signed
1032 by an officer of the National Park Service, attesting that the
1033 completed rehabilitation meets the Secretary of the Interior's
1034 Standards for Rehabilitation and is consistent with the historic
1035 character of the property and, if applicable, the district in
1036 which the completed rehabilitation is located. The form may be
1037 obtained through the National Park Service.

1038 4. Evidence that the certified historic structure was
1039 placed into service after the certified rehabilitation was
1040 complete. Such evidence must identify the dates rehabilitation
1041 was started and completed and the date the structure was placed
1042 into service.

1043 5. A list of total qualified expenses incurred by the
1044 taxpayer in rehabilitating the certified historic structure. For

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1045 certified rehabilitations with qualified expenses that exceeded
1046 \$750,000, the taxpayer must submit an audited cost report issued
1047 by a certified public accountant which itemizes the qualified
1048 expenses incurred in rehabilitating the certified historic
1049 structure. A taxpayer may submit an audited cost report issued
1050 by a certified public accountant which was created for the
1051 purposes of applying for a federal historic rehabilitation tax
1052 credit and which includes all of the qualified expenses incurred
1053 in rehabilitating the certified historic structure.

1054 6. An attestation of the total qualified expenses incurred
1055 in rehabilitating the certified historic structure.

1056 7. A certification from the corporation stating that all
1057 housing provided by the project meets state requirements for
1058 affordable or workforce housing.

1059 8. The information required to be reported by the
1060 department in subsection (7) to enable the department to compile
1061 its annual report.

1062
1063 A taxpayer may begin the application process before the
1064 certified historic structure is placed into service; however, a
1065 final determination on eligibility may not be made until after
1066 the certified historic structure is placed into service.

1067 (b) The department shall only deem a project eligible for
1068 this tax credit if the applicant utilizes the funds exclusively
1069 to create affordable or workforce housing.

1070 (c) Affordable or workforce housing must be provided for at
1071 least 5 years or the applicant shall be subject to forfeiture of
1072 the tax credit as provided under paragraph (7) (g).

1073 (d) Within 90 days after receipt of the information

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1074 required under paragraph (a) or the certified historic structure
1075 is placed into service, whichever is later, the division must
1076 approve or deny the application. If approved, the division must
1077 submit a copy of the certification and the information provided
1078 by the applicant to the department within 10 days after the
1079 division's approval.

1080 (4) CARRYFORWARD OF TAX CREDIT.—

1081 (a) If a taxpayer is eligible for a tax credit that exceeds
1082 taxes owed, the taxpayer may carry the unused tax credit forward
1083 for a period of up to 5 taxable years.

1084 (b) A carryforward is considered the remaining portion of a
1085 tax credit that cannot be claimed in the current tax year.

1086 (5) SALE OR TRANSFER OF TAX CREDIT.—

1087 (a) A taxpayer that incurs qualified expenses may sell or
1088 transfer all or part of the tax credit that may otherwise be
1089 claimed to another taxpayer.

1090 (b) A taxpayer to which all or part of the tax credit is
1091 sold or transferred may sell or transfer all or part of the tax
1092 credit that may otherwise be claimed to another taxpayer.

1093 (c) A taxpayer that sells or transfers a tax credit to
1094 another taxpayer must provide a copy of the certificate of
1095 eligibility together with the audited cost report to the
1096 purchaser or transferee.

1097 (d) Qualified expenses may be counted only once in
1098 determining the amount of an available tax credit, and more than
1099 one taxpayer may not claim a tax credit for the same qualified
1100 expenses.

1101 (e) There is no limit on the total number of transactions
1102 for the sale or transfer of all or part of a tax credit.

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1103 (f)1. A taxpayer that sells or transfers a tax credit under
1104 this subsection and the purchaser or transferee shall jointly
1105 submit written notice of the sale or transfer to the department
1106 on a form adopted by the department no later than 30 days after
1107 the date of the sale or transfer. The notice must include all of
1108 the following:

1109 a. The date of the sale or transfer.

1110 b. The amount of the tax credit sold or transferred.

1111 c. The name and federal tax identification number of the
1112 taxpayer that sold or transferred the tax credit and the
1113 purchaser or transferee.

1114 d. The amount of the tax credit owned by the taxpayer
1115 before the sale or transfer and the amount the selling or
1116 transferring taxpayer retained, if any, after the sale or
1117 transfer.

1118 2. The sale or transfer of a tax credit under this
1119 subsection does not extend the period for which a tax credit may
1120 be carried forward and does not increase the total amount of the
1121 tax credit that may be claimed.

1122 3. If a taxpayer claims a tax credit for qualified
1123 expenses, another taxpayer may not use the same expenses as the
1124 basis for claiming a tax credit.

1125 4. Notwithstanding the requirements of this subsection, a
1126 tax credit earned by, purchased by, or transferred to a
1127 partnership, limited liability company, S corporation, or other
1128 pass-through entity may be allocated to the partners, members,
1129 or shareholders of that entity and claimed under this section in
1130 accordance with any agreement among the partners, members, or
1131 shareholders and without regard to the ownership interest of the

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1132 partners, members, or shareholders in the rehabilitated
1133 certified historic structure.

1134 (g) If the tax credit is reduced due to a determination,
1135 examination, or audit by the department, the tax deficiency must
1136 be recovered from the taxpayer that sold or transferred the tax
1137 credit or the purchaser or transferee that claimed the tax
1138 credit up to the amount of the tax credit claimed.

1139 (h) Any subsequent deficiencies shall be assessed against
1140 the purchaser or transferee that claimed the tax credit or, in
1141 the case of multiple succeeding entities, in the order of tax
1142 credit succession.

1143 (6) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX
1144 CREDITS; FRAUDULENT CLAIMS.—

1145 (a) The department, with the assistance of the division,
1146 may perform any additional financial and technical audits and
1147 examinations, including examining the accounts, books, or
1148 records of the taxpayer, to verify the legitimacy of the
1149 qualified expenses included in a tax credit return and to ensure
1150 compliance with this section. If requested by the department,
1151 the division must provide technical assistance for any technical
1152 audits or examinations performed under this subsection.

1153 (b) It is grounds for forfeiture of previously claimed and
1154 received tax credits if the department determines, as a result
1155 of an audit or information received from the division or the
1156 United States Department of the Interior or Internal Revenue
1157 Service, that a taxpayer received a tax credit pursuant to this
1158 section to which the taxpayer was not entitled. In the case of
1159 fraud, the taxpayer may not claim any future tax credits under
1160 this section.

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1161 (c) The taxpayer must return forfeited tax credits to the
1162 department, and such funds shall be paid into the General
1163 Revenue Fund.

1164 (d) The taxpayer shall file with the department an amended
1165 tax return or such other report as the department prescribes and
1166 shall pay any required tax within 60 days after the taxpayer
1167 receives notification from the United States Internal Revenue
1168 Service that a previously approved tax credit has been revoked
1169 or modified, if uncontested, or within 60 days after a final
1170 order is issued following proceedings involving a contested
1171 revocation or modification order.

1172 (e) A notice of deficiency may be issued by the department
1173 at any time within 5 years after the date on which the taxpayer
1174 receives notification from the United States Internal Revenue
1175 Service that a previously approved tax credit has been revoked
1176 or modified. If a taxpayer fails to notify the department of any
1177 change in its tax credit claimed, a notice of deficiency may be
1178 issued at any time. In either case, the amount of any proposed
1179 assessment set forth in such notice of deficiency is limited to
1180 the amount of the tax credit claimed.

1181 (f) A taxpayer that fails to report and timely pay any tax
1182 due as a result of the forfeiture of its tax credit violates
1183 this section and is subject to applicable penalties and
1184 interest.

1185 (g) A taxpayer that fails to provide affordable or
1186 workforce housing for at least 5 years forfeits the tax credit.
1187 The taxpayer must return the forfeited credit to the department,
1188 and such funds shall be paid into the General Revenue Fund. The
1189 forfeiture of the credit shall be prorated at a rate of 4

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1190 percent of the total credit for each year that housing was not
 1191 provided.

1192 (7) ANNUAL REPORT.—Based on the applications submitted and
 1193 approved, the department must submit a report by December 1 of
 1194 each year to the Governor, the President of the Senate, and the
 1195 Speaker of the House of Representatives that identifies, in the
 1196 aggregate, all of the following:

1197 (a) The number of employees hired during construction
 1198 phases.

1199 (b) The use of each newly rehabilitated building and the
 1200 expected number of employees hired.

1201 (c) The number of affordable housing or workforce housing
 1202 units created or preserved.

1203 (d) The property values before and after the certified
 1204 rehabilitations.

1205 (8) DEPARTMENT DUTIES.—The department shall:

1206 (a) Establish a cooperative agreement with the division.

1207 (b) Adopt any necessary form required to claim a tax credit
 1208 under this section.

1209 (c) Provide administrative guidelines and procedures
 1210 required to administer this section, including rules
 1211 establishing an entitlement to and sale or transfer of a tax
 1212 credit under this section.

1213 (d) Provide examination and audit procedures required to
 1214 administer this section.

1215 (9) RULES.—The department, the division, and the
 1216 corporation may adopt rules to administer this section,
 1217 including the form of application and establishing
 1218 qualifications for the tax credit.

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1219 Section 9. Subsection (36) of section 420.503, Florida
1220 Statutes, is amended to read:

1221 420.503 Definitions.—As used in this part, the term:

1222 (36) "Qualified contract" has the same meaning as in 26
1223 U.S.C. s. 42(h)(6)(F) in effect on the date of the preliminary
1224 determination certificate for the low-income housing tax credits
1225 for the development that is the subject of the qualified
1226 contract request, unless the Internal Revenue Code requires a
1227 different statute or regulation to apply to the development. The
1228 corporation shall deem a bona fide contract to be a qualified
1229 contract at the time the second earnest money ~~bona fide contract~~
1230 ~~is presented to the owner and the initial~~ deposit is deposited
1231 in escrow in accordance with the terms of the bona fide
1232 contract, and, in such event, the corporation is deemed to have
1233 fulfilled its responsibility to present the owner with a
1234 qualified contract.

1235 Section 10. Subsection (5) of section 420.50871, Florida
1236 Statutes, is renumbered as subsection (6), paragraph (b) of
1237 subsection (1) of that section is amended, and a new subsection
1238 (5) is added to that section, to read:

1239 420.50871 Allocation of increased revenues derived from
1240 amendments to s. 201.15 made by ch. 2023-17.—Funds that result
1241 from increased revenues to the State Housing Trust Fund derived
1242 from amendments made to s. 201.15 made by chapter 2023-17, Laws
1243 of Florida, must be used annually for projects under the State
1244 Apartment Incentive Loan Program under s. 420.5087 as set forth
1245 in this section, notwithstanding ss. 420.507(48) and (50) and
1246 420.5087(1) and (3). The Legislature intends for these funds to
1247 provide for innovative projects that provide affordable and

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1248 attainable housing for persons and families working, going to
1249 school, or living in this state. Projects approved under this
1250 section are intended to provide housing that is affordable as
1251 defined in s. 420.0004, notwithstanding the income limitations
1252 in s. 420.5087(2). Beginning in the 2023-2024 fiscal year and
1253 annually for 10 years thereafter:

1254 (1) The corporation shall allocate 70 percent of the funds
1255 provided by this section to issue competitive requests for
1256 application for the affordable housing project purposes
1257 specified in this subsection. The corporation shall finance
1258 projects that:

1259 (b) Address urban infill, including conversions of vacant,
1260 dilapidated, or functionally obsolete buildings or the use of
1261 underused commercial property. As used in this paragraph, the
1262 term "urban infill" has the same meaning as in s. 163.3164(51).
1263 The term includes the development or redevelopment of mobile
1264 home parks and manufactured home communities that meet the urban
1265 infill criteria and the criteria for redevelopment of an
1266 existing affordable housing development as provided in paragraph
1267 (a).

1268 (5) The corporation may not require a project financed
1269 under this section to use low-income housing tax credits under
1270 s. 42 of the Internal Revenue Code or tax-exempt bond financing.

1271 Section 11. Paragraph (d) is added to subsection (5) of
1272 section 420.50872, Florida Statutes, to read:

1273 420.50872 Live Local Program.—

1274 (5) ADMINISTRATION; RULES.—

1275 (d) The corporation may not require a project financed
1276 under this section to use low-income housing tax credits under

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1277 s. 42 of the Internal Revenue Code or tax-exempt bond financing.

1278 Section 12. Subsection (7) of section 624.509, Florida
1279 Statutes, is amended to read:

1280 624.509 Premium tax; rate and computation.—

1281 (7) Credits and deductions against the tax imposed by this
1282 section shall be taken in the following order: deductions for
1283 assessments made pursuant to s. 440.51; credits for taxes paid
1284 under ss. 175.101 and 185.08; credits for income taxes paid
1285 under chapter 220 and the credit allowed under subsection (5),
1286 as these credits are limited by subsection (6); the credit
1287 allowed under s. 624.51057; the credit allowed under s.
1288 624.51058; the credit allowed under s. 624.5107; the credit
1289 allowed under s. 220.197; and all other available credits and
1290 deductions.

1291 Section 13. The changes made by this act first apply to the
1292 2026 tax roll.

1293 Section 14. This act shall take effect July 1, 2025.