

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 and resolutions; authorizing
24 certain projects a cause of action to recover
25 specified relief; revising penalties that must be

26 included in a certain land use restriction; providing
27 applicability; amending s. 196.1979, F.S.; providing a
28 definition for the term "adaptive reuse project";
29 revising eligibility requirements for a specified tax
30 exemption; authorizing certain developments to abate
31 certain future ad valorem property taxes by paying a
32 specified amount at the time a building permit is
33 issued; requiring the Florida Housing Finance
34 Corporation to adopt certain rules; amending s.
35 212.055, F.S.; revising the types of expenditures for
36 which the proceeds of a specified surtax may be used;
37 amending s. 213.053, F.S.; authorizing the Department
38 of Revenue to share certain information with specified
39 parties; amending s. 220.02, F.S.; revising the order
40 in which credits against specified taxes may be taken;
41 amending s. 220.13, F.S.; revising adjustments for
42 adjusted federal income; amending s. 220.197, F.S.;
43 providing a short title; providing definitions;
44 authorizing a tax credit for qualified expenses
45 incurred for a specified purpose beginning on a
46 certain date; providing applicability; prohibiting a
47 taxpayer from receiving more than a specified amount
48 in tax credits for a single project; providing
49 eligibility requirements for such tax credit;
50 authorizing forfeiture of such tax credit under

51 certain circumstances; authorizing the carryforward of
52 such tax credit; authorizing the sale or transfer of
53 such tax credit under certain conditions; authorizing
54 the department to conduct audits; authorizing the
55 Division of Historical Resources of the Department of
56 State to assist in such audits; authorizing forfeiture
57 of certain tax credits under certain circumstances;
58 requiring repayment of certain funds into a specified
59 account; requiring the filing of an amended revenue in
60 specified circumstances; authorizing the department to
61 issue a notice of deficiency in certain circumstances;
62 providing applicability; requiring the department to
63 submit a certain annual report; providing reporting
64 requirements; providing department duties in
65 administering a specified tax credit program;
66 authorizing the Department of Revenue, the Division of
67 Historical Resources, and the Florida Housing Finance
68 Corporation to adopt rules; amending s. 420.503, F.S.;
69 revising the definition of the term "qualified
70 contract"; amending s. 420.50871, F.S.; revising the
71 types of affordable housing projects funded by the
72 Florida Housing Finance Corporation; prohibiting the
73 corporation from requiring certain projects to use
74 specified tax credits or financing; amending s.
75 420.50872, F.S.; prohibiting projects financed through

76 the Live Local Program from being required to use
 77 specified tax credits or financing; amending s.
 78 624.509, F.S.; revising the order of credits and
 79 deductions taken against a specified tax; providing
 80 applicability; providing an effective date.

81
 82 Be It Enacted by the Legislature of the State of Florida:

83
 84 **Section 1. Subsections (1) through (4) of section**
 85 **196.1978, Florida Statutes, are renumbered as subsections (2)**
 86 **through (5), respectively, paragraphs (n) and (o) of present**
 87 **subsection (3) are redesignated as paragraphs (o) and (p),**
 88 **respectively, present subsection (1), paragraphs (b) and (d) of**
 89 **present subsection (2), paragraphs (a), (b), (d), (e), and (f)**
 90 **and present paragraph (o) of present subsection (3), and**
 91 **paragraphs (b), (d), and (f) of present subsection (4) are**
 92 **amended, a new paragraph (n) is added to present subsection (3),**
 93 **and a new subsection (1) and subsection (6) are added to that**
 94 **section, to read:**

95 196.1978 Affordable housing property exemption.—

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

97 (a) "Financial beneficiary" means any principal of the
 98 developer or applicant entity that receives or will receive any
 99 direct or indirect financial benefit from a development. A
 100 financial beneficiary does not include third-party lenders,

101 third-party management agents or companies, third-party service
102 providers, housing credit syndicators, or credit enhancers
103 regulated by a state or federal agency.

104 (b) "Multifamily project" includes all parcels or
105 properties which have one or more of the same financial
106 beneficiaries, submitted together for a single exemption under
107 this section, for which any of the following conditions are met:

108 1. Any part of any of the property site is contiguous with
109 any part of any of the other property sites;

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

112 3. It is readily apparent from the applications,
113 proximity, chain of title, or other information made available
114 to the Florida Housing Finance Corporation or property appraiser
115 that the properties are part of a common or related scheme of
116 development.

117 (2) (a) ~~(1) (a)~~ Property used to provide affordable housing
118 to eligible persons as defined by s. 159.603 and natural persons
119 or families meeting the extremely-low-income, very-low-income,
120 low-income, or moderate-income limits specified in s. 420.0004,
121 which is owned entirely by a governmental entity or nonprofit
122 entity that is a corporation not for profit, qualified as
123 charitable under s. 501(c)(3) of the Internal Revenue Code and
124 in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717, is
125 considered property owned by an exempt entity and used for a

126 charitable purpose, and those portions of the affordable housing
127 property that provide housing to natural persons or families
128 classified as extremely low income, very low income, low income,
129 or moderate income under s. 420.0004 are exempt from ad valorem
130 taxation to the extent authorized under s. 196.196. All property
131 identified in this subsection must comply with the criteria
132 provided under s. 196.195 for determining exempt status and
133 applied by property appraisers on an annual basis. The
134 Legislature intends that any property owned by a limited
135 liability company which is disregarded as an entity for federal
136 income tax purposes pursuant to Treasury Regulation 301.7701-
137 3(b)(1)(ii) be treated as owned by its sole member. If the sole
138 member of the limited liability company that owns the property
139 is also a limited liability company that is disregarded as an
140 entity for federal income tax purposes pursuant to Treasury
141 Regulation 301.7701-3(b)(1)(ii), the Legislature intends that
142 the property be treated as owned by the sole member of the
143 limited liability company that owns the limited liability
144 company that owns the property. Units that are vacant and units
145 that are occupied by natural persons or families whose income no
146 longer meets the income limits of this subsection, but whose
147 income met those income limits at the time they became tenants,
148 shall be treated as portions of the affordable housing property
149 exempt under this subsection if a recorded land use restriction
150 agreement in favor of the Florida Housing Finance Corporation, a

151 housing finance authority as defined in s. 159.603(3), or any
 152 other governmental or quasi-governmental jurisdiction requires
 153 that all residential units within the property be used in a
 154 manner that qualifies for the exemption under this subsection
 155 and if the units are being offered for rent.

156 (b) Property ~~land~~ that is owned entirely by a governmental
 157 entity or a nonprofit entity that is a corporation not for
 158 profit, qualified as charitable under s. 501(c)(3) of the
 159 Internal Revenue Code and in compliance with Rev. Proc. 96-32,
 160 1996-1 C.B. 717, and is leased for a minimum of 90 ~~99~~ years for
 161 the purpose of, and is predominantly used for, providing housing
 162 to natural persons or families meeting the extremely-low-income,
 163 very-low-income, low-income, or moderate-income limits specified
 164 in s. 420.0004 is exempt from ad valorem taxation. For purposes
 165 of this paragraph, property ~~land~~ is predominantly used for
 166 qualifying purposes if the square footage of the improvements on
 167 the land used to provide qualifying housing is greater than 50
 168 percent of the square footage of all improvements on the land.
 169 All improvements used to provide qualifying housing on the
 170 exempt property are also exempt from such taxation. This
 171 paragraph first applies to the 2024 tax roll and is repealed
 172 December 31, 2059.

173 ~~(3)(2)~~

174 (b) The multifamily project must:

175 1. Contain at least one unit that is ~~more than 70 units~~

176 ~~that are used to, or, for an adaptive reuse project as defined~~
 177 ~~in s. 196.1979(1), at least 20 percent of the project's~~
 178 ~~residential units must be used to,~~ provide affordable housing to
 179 natural persons or families meeting the extremely-low-income,
 180 very-low-income, or low-income limits specified in s. 420.0004;
 181 and

182 2. Be subject to an agreement with the Florida Housing
 183 Finance Corporation, or a housing finance authority as defined
 184 in s. 159.603(3), recorded in the official records of the county
 185 in which the property is located to provide affordable housing
 186 to natural persons or families meeting the extremely-low-income,
 187 very-low-income, or low-income limits specified in s. 420.0004.

188
 189 This exemption terminates if the property no longer serves
 190 extremely-low-income, very-low-income, or low-income persons
 191 pursuant to the recorded agreement.

192 (d) The property appraiser shall apply the exemption to
 193 those portions of the affordable housing property that are
 194 dedicated to providing ~~provide~~ housing to natural persons or
 195 families meeting the extremely-low-income, very-low-income, or
 196 low-income limits specified in s. 420.0004 before certifying the
 197 tax roll to the tax collector.

198 (4) (a) - (3) - (a) As used in this subsection, the term:

199 1. "Corporation" means the Florida Housing Finance
 200 Corporation.

201 2. "Improvement to real property" includes new
202 construction, substantial rehabilitation of an existing
203 multifamily project, or conversion from another use to
204 multifamily.

205 3.2. "Newly constructed" means an improvement, or the
206 substantial rehabilitation of an existing improvement, to real
207 property which was substantially completed within 5 years before
208 the date of the property owner's ~~an applicant's~~ first submission
209 of a request for a certification notice pursuant to this
210 subsection.

211 4. "Substantial rehabilitation" means the meaningful
212 repair or restoration of a property when the total value of such
213 meaningful repair or restoration is equal to the greater of
214 \$15,000 per unit or \$750 per unit, per year of building age,
215 which is the difference between the year in which the property
216 received the certificate of occupancy and the year in which the
217 property first received the certification notice. Meaningful
218 repairs or restorations may be reasonably allocated among in-
219 unit, common area, superstructure, substructure, mechanical,
220 electrical, plumbing, and other property repairs or restorations
221 that prolong the useful life of the building. Meaningful repairs
222 or restorations include onsite improvements, offsite
223 improvements, rehabilitation costs for physical improvements to
224 the property, and construction contingency but do not include
225 general contractor fees or overhead, general requirements,

226 architect and engineering fees, permit fees, financing or soft
227 costs, and developer fees.

228 ~~5.3.~~ "Substantially completed" means the date on which a
229 project receives its certificate of occupancy. If the project
230 has multiple buildings or phases, the property owner must submit
231 its first submission of a request for a certification notice
232 within 5 years after the date on which the last certificate of
233 occupancy was issued for the project ~~has the same meaning as in~~
234 ~~s. 192.042(1).~~

235 (b) Notwithstanding ss. 196.195 and 196.196, portions of
236 property in a multifamily project are considered property used
237 for a charitable purpose and are eligible to receive an ad
238 valorem property tax exemption if such portions meet all of the
239 following conditions:

240 ~~1. Provide affordable housing to natural persons or~~
241 ~~families meeting the income limitations provided in paragraph~~
242 ~~(d).~~

243 ~~1.a.2.a.~~ Are within a newly constructed multifamily
244 project that contains at least one unit that is ~~more than 70~~
245 ~~units~~ dedicated to, or, for an adaptive reuse project as defined
246 in s. 196.1979(1), at least 20 percent of the project's
247 residential units are dedicated to, housing natural persons or
248 families meeting the income limitations provided in paragraph
249 (d); or

250 b. Are within a newly constructed multifamily project, or

251 an adaptive reuse project as defined in s. 196.1979(1), in an
 252 area of critical state concern, as designated by s. 380.0552 or
 253 chapter 28-36, Florida Administrative Code, which contains more
 254 than 10 units dedicated to, or, for an adaptive reuse project,
 255 at least 20 percent of the project's residential units are
 256 dedicated to, housing natural persons or families meeting the
 257 income limitations provided in paragraph (d).

258 ~~2.3.~~ Are rented or, if vacant, posted for rent for an
 259 amount that does not exceed the amount as specified by the most
 260 recent multifamily rental programs income and rent limit chart
 261 posted by the corporation and derived from the Multifamily Tax
 262 Subsidy Projects Income Limits published by the United States
 263 Department of Housing and Urban Development or 90 percent of the
 264 fair market value rent as determined by a rental market study
 265 meeting the requirements of paragraph (1), whichever is less.

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

267 a. Seventy-five percent of the assessed value of the units
 268 in multifamily projects that meet the requirements of this
 269 subsection and are used to house natural persons or families
 270 whose annual household income at the time the lease is executed
 271 is greater than 80 percent but not more than 120 percent of the
 272 median annual adjusted gross income for households within the
 273 metropolitan statistical area or, if not within a metropolitan
 274 statistical area, within the county in which the person or
 275 family resides; ~~and~~

276 b. From ad valorem property taxes the units in multifamily
277 projects that meet the requirements of this subsection and are
278 used to house natural persons or families whose annual household
279 income at the time the lease is executed does not exceed 80
280 percent of the median annual adjusted gross income for
281 households within the metropolitan statistical area or, if not
282 within a metropolitan statistical area, within the county in
283 which the person or family resides; and

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

287
288 However, if the income of tenants residing in a unit that
289 received the exemption in the previous year increases above the
290 income thresholds prescribed in sub-subparagraphs a. and b., the
291 unit remains eligible for the exemption if such tenants
292 voluntarily vacate the unit and the tenants to whom the property
293 owner subsequently rents the unit to satisfy the income
294 thresholds.

295 2. When determining the value of a unit for purposes of
296 applying an exemption pursuant to this paragraph, the property
297 appraiser must include in such valuation the proportionate share
298 of the residential common areas, including the land, fairly
299 attributable to such unit. The property appraiser shall
300 calculate the value of the exemption based on the number of

301 units satisfying the income and rent requirements of this
302 subsection, which shall include the proportionate share of the
303 residential common areas attributable to each unit.

304 (e) To be eligible to receive an exemption under this
305 subsection, a property owner must submit an application on a
306 form prescribed by the department by March 1 for the exemption,
307 accompanied by a certification notice from the corporation to
308 the property appraiser. The property appraiser shall review the
309 application and determine whether the original applicant or
310 subsequent property owner meets all of the requirements of this
311 subsection and is entitled to an exemption. A property appraiser
312 may request and review additional information necessary to make
313 such determination. A property appraiser may grant an exemption
314 only for a property for which the corporation has issued a
315 certification notice and which the property appraiser determines
316 is entitled to an exemption.

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

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

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

325 a. Revise the list for an exemption sought in any

326 subsequent taxable year by adding units to the list or removing
327 units from the list or both; or

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

330
331 so long as the multifamily project continues to meet any minimum
332 number of percentage of units dedicated to affordable housing,
333 which is required by law for the exemption.

334 3. The rent amount received by the property owner for each
335 occupied unit and the published rent amount for each vacant unit
336 for which the property owner seeks an exemption. If a unit is
337 vacant and qualifies for an exemption under paragraph (c), the
338 property owner must provide evidence of the published rent
339 amount for each vacant unit.

340 4. A sworn statement, under penalty of perjury, from the
341 applicant restricting the property for a period of not less than
342 3 years to housing persons or families who meet the income
343 limitations under this subsection. If the property is
344 foreclosed, the foreclosing party may elect to void the sworn
345 statement and remove the project from qualifying for the
346 exemption or, if the project remains in compliance with this
347 subsection, continue to apply for and receive the exemption.

348 (n) Upon the request of a property owner, the property
349 appraiser must issue a letter to verify that a multifamily
350 project, if constructed and leased as described in the site

351 plan, qualifies for the exemption under this section. Within 30
352 days after receipt of the request described in this paragraph,
353 the property appraiser must issue a verification letter or
354 explain why the project is ineligible for the exemption. A
355 project that has received a verification letter before the
356 adoption of the ordinance described in paragraph (p) is exempt
357 from such ordinance. The verification letter is prima facie
358 evidence that the project is eligible for the exemption if the
359 project is constructed and leased as described in the site plan
360 used to receive the verification letter. This letter shall
361 qualify the project, if constructed and leased as described in
362 the site plan, to obtain the exemption beginning with the
363 January 1 assessment immediately after the date on which the
364 property obtains a certificate of occupancy and is placed in
365 service allowing the property to be used as an affordable
366 housing property.

367 (p)1.(e)1. Beginning with the 2025 tax roll, a taxing
368 authority may elect, upon adoption of an ordinance or resolution
369 approved by a two-thirds vote of the governing body, not to
370 exempt property under sub-subparagraph (d)1.a. located in a
371 county specified pursuant to subparagraph 2., subject to the
372 conditions of this paragraph.

373 2. A taxing authority must make a finding in the ordinance
374 or resolution that annual housing reports ~~the most recently~~
375 published by the Shimberg Center for Housing Studies ~~Annual~~

376 ~~Report, prepared~~ pursuant to s. 420.6075 identify, ~~identifies~~
377 that a county that is part of the jurisdiction of the taxing
378 authority is within a metropolitan statistical area or region
379 where, for each of the previous 3 years, the number of
380 affordable and available units in the metropolitan statistical
381 area or region is greater than the number of renter households
382 in the metropolitan statistical area or region for the category
383 entitled "0-120 percent AMI."

384 3. An election made pursuant to this paragraph may apply
385 only to the ad valorem property tax levies imposed within a
386 county specified pursuant to subparagraph 2. by the taxing
387 authority making the election.

388 4. The ordinance or resolution must take effect on the
389 January 1 immediately succeeding adoption and shall expire on
390 the following ~~second~~ January 1 ~~after the January 1 in which the~~
391 ~~ordinance or resolution takes effect.~~ The ordinance or
392 resolution may be renewed before ~~prior to~~ its expiration
393 pursuant to this paragraph if the taxing authority makes the
394 same finding required in subparagraph 2.

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

400 6. The taxing authority must provide to the property

401 appraiser the adopted ordinance or resolution or renewal thereof
402 by the effective date of the ordinance or resolution or renewal
403 thereof.

404 7. Notwithstanding an ordinance or resolution or renewal
405 thereof adopted pursuant to this paragraph, a ~~property owner of~~
406 ~~a multifamily project that who~~ was granted an exemption, at
407 least in part, pursuant to sub-subparagraph (d)1.a. before ~~the~~
408 adoption or renewal of an such ordinance or resolution may
409 continue to receive an such exemption for each subsequent
410 consecutive year that the property owner, or a subsequent owner,
411 transferee, or assignee, applies for and is granted the
412 exemption.

413 8. Notwithstanding an ordinance or resolution, or renewal
414 thereof, adopted pursuant to this paragraph, a proposed
415 development that has been administratively approved under s.
416 125.01055(7) (e) or s. 166.04151(7) (e) before the adoption or
417 renewal of such ordinance or resolution must be eligible to
418 receive the exemption for each year it applies for and is
419 granted the exemption.

420 9. Before adoption of an ordinance or resolution pursuant
421 to this paragraph, the taxing authority must conduct an
422 assessment on the taxing authority's current need for affordable
423 housing at each of the extremely-low-income, very-low-income,
424 and low-income limits specified in s. 420.0004, including supply
425 and demand projections of such need for at least the next 5

426 years. The needs assessment must be presented at the same public
427 meeting at which the proposed ordinance or resolution not to
428 exempt property is adopted by the taxing authority's governing
429 body.

430 10. A taxing authority adopting or renewing an ordinance
431 or resolution pursuant to this paragraph must provide notice of
432 such ordinance or resolution to the corporation in the format
433 prescribed by the corporation. Each year, within 60 days before
434 the regular session of the Legislature, the corporation shall
435 submit an annual report to the Governor, the President of the
436 Senate, and the Speaker of the House of Representatives on the
437 adoption or renewal of such ordinances and resolutions.

438 11. The owner of a multifamily project that would
439 otherwise qualify for an affordable housing ad valorem tax
440 exemption under this subsection, which is adversely affected by
441 an ordinance or resolution adopted or renewed in violation of
442 this paragraph, has a cause of action against the taxing
443 authority and may recover injunctive relief and compensatory
444 damages therefor before a court of competent jurisdiction. The
445 court may also award reasonable attorney fees and costs, not to
446 exceed \$100,000, to a prevailing plaintiff. For purposes of this
447 subparagraph, the term "reasonable attorney fees and costs"
448 means the reasonable and necessary attorney fees and costs
449 incurred for all preparations, motions, hearings, trials, and
450 appeals in a proceeding. The term does not include attorney fees

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

453 (5)-(4)-

454 (b) The multifamily project must:

455 1. Be composed of an improvement to land where an
 456 improvement did not previously exist or the construction of a
 457 new improvement where an old improvement was removed, which was
 458 substantially completed within 2 years before the first
 459 submission of an application for exemption under this
 460 subsection. For purposes of this subsection, the term
 461 "substantially completed" has the same definition as in s.
 462 192.042(1).

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

469 3. Be subject to a land use restriction agreement with the
 470 Florida Housing Finance Corporation, or a housing finance
 471 authority pursuant to part IV of chapter 159, recorded in the
 472 official records of the county in which the property is located
 473 that requires that the property be used for 99 years to provide
 474 affordable housing to natural persons or families meeting the
 475 extremely-low-income, very-low-income, low-income, or moderate-

476 income limits specified in s. 420.0004. The agreement must
477 include a provision for a penalty for ceasing to provide
478 affordable housing under the agreement before the end of the
479 agreement term that is equal to 100 percent of the total value
480 of the ad valorem tax exemption received to date ~~amount financed~~
481 ~~by the corporation multiplied by each year remaining in the~~
482 ~~agreement~~. The agreement may be terminated or modified without
483 penalty if the exemption under this subsection is repealed.

484

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

488 (d)1. The property appraiser shall apply the exemption to
489 those portions of the affordable housing property that are
490 dedicated to providing ~~provide~~ housing to natural persons or
491 families meeting the extremely-low-income, very-low-income, or
492 low-income limits specified in s. 420.0004 before certifying the
493 tax roll to the tax collector.

494 2. When determining the value of the portion of property
495 used to provide affordable housing for purposes of applying an
496 exemption pursuant to this subsection, the property appraiser
497 must include in such valuation the proportionate share of the
498 residential common areas, including the land, fairly
499 attributable to such portion of property.

500 (f) Property receiving an exemption pursuant to subsection

501 (4) ~~(3)~~ or s. 196.1979 is not eligible for this exemption.

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

506 **Section 2. Subsections (1) through (8) and (9) of section**
507 **196.1979, Florida Statutes, are renumbered as subsections (2)**
508 **through (9) and (12), respectively, present subsection (1),**
509 **paragraphs (c), (e), (i), and (j) of present subsection (3), and**
510 **present subsection (4) are amended, and a new subsection (1) and**
511 **subsections (10) and (11) are added to that section, to read:**

512 196.1979 County and municipal affordable housing property
513 exemption.—

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

518 (2) (a) ~~(1) (a)~~ Notwithstanding ss. 196.195 and 196.196, the
519 board of county commissioners of a county or the governing body
520 of a municipality may adopt an ordinance to exempt those
521 portions of property used to provide affordable housing meeting
522 the requirements of this section. Such property is considered
523 property used for a charitable purpose. To be eligible for the
524 exemption, the portions of property:

525 1. Must be used to house natural persons or families whose

526 | annual household income:

527 | a. Is greater than 30 percent but not more than 60 percent

528 | of the median annual adjusted gross income for households within

529 | the metropolitan statistical area or, if not within a

530 | metropolitan statistical area, within the county in which the

531 | person or family resides; or

532 | b. Does not exceed 30 percent of the median annual

533 | adjusted gross income for households within the metropolitan

534 | statistical area or, if not within a metropolitan statistical

535 | area, within the county in which the person or family resides;

536 | 2. Must be within a multifamily project containing 50 or

537 | more residential units, or less as provided in subparagraph

538 | (c)2., or an adaptive reuse project of which at least 20 percent

539 | of the project's residential units ~~which~~ are used to provide

540 | affordable housing that meets the requirements of this section;

541 | 3. Must be rented for an amount no greater than the amount

542 | as specified by the most recent multifamily rental programs

543 | income and rent limit chart posted by the corporation and

544 | derived from the Multifamily Tax Subsidy Projects Income Limits

545 | published by the United States Department of Housing and Urban

546 | Development or 90 percent of the fair market value rent as

547 | determined by a rental market study meeting the requirements of

548 | subsection (5) ~~(4)~~, whichever is less;

549 | 4. May not have been cited for code violations on three or

550 | more occasions in the 24 months before the submission of a tax

551 exemption application;

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

555 6. May not have any unpaid fines or charges relating to
556 the cited code violations. Payment of unpaid fines or charges
557 before a final determination on a property's qualification for
558 an exemption under this section will not exclude such property
559 from eligibility if the property otherwise complies with all
560 other requirements for the exemption.

561 (b) Qualified property may receive an ad valorem property
562 tax exemption of:

563 1. Up to 75 percent of the assessed value of each
564 residential unit used to provide affordable housing if fewer
565 than 100 percent of the multifamily project's or adaptive reuse
566 project's residential units are used to provide affordable
567 housing meeting the requirements of this section.

568 2. Up to 100 percent of the assessed value of each
569 residential unit used to provide affordable housing if 100
570 percent of the multifamily project's or adaptive reuse project's
571 residential units are used to provide affordable housing meeting
572 the requirements of this section.

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

576 1. Used to provide affordable housing for natural persons
 577 or families meeting the income limits of sub-subparagraph
 578 (a)1.a., natural persons or families meeting the income limits
 579 of sub-subparagraph (a)1.b., or both.

580 2. Within a multifamily project containing at least five
 581 units.

582 ~~(4)~~~~(3)~~ An ordinance granting the exemption authorized by
 583 this section must:

584 (c) Require the property owner to apply for certification
 585 by the local entity in order to receive the exemption. The
 586 application for certification must be on a form provided by the
 587 local entity designated pursuant to paragraph (b) and include
 588 all of the following:

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

591 2. A list of the units for which the property owner seeks
 592 an exemption.

593 3. The rent amount received by the property owner for each
 594 unit for which the property owner seeks an exemption. If a unit
 595 is vacant and qualifies for an exemption under subsection (3)
 596 ~~(2)~~, the property owner must provide evidence of the published
 597 rent amount for the vacant unit.

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

600 (i) Identify the percentage of the assessed value which is

601 | exempted, subject to the percentage limitations in paragraph
602 | (2) (b) ~~(1) (b)~~.

603 | (j) Identify whether the exemption applies to natural
604 | persons or families meeting the income limits of sub-
605 | subparagraph (2) (a) 1.a. ~~(1) (a) 1.a.~~, natural persons or families
606 | meeting the income limits of sub-subparagraph (2) (a) 1.b.
607 | ~~(1) (a) 1.b.~~, or both.

608 | ~~(5) (4)~~ A rental market study submitted as required by
609 | paragraph (4) (c) ~~(3) (e)~~ must identify the fair market value rent
610 | of each unit for which a property owner seeks an exemption. Only
611 | a certified general appraiser, as defined in s. 475.611, may
612 | issue a rental market study. The certified general appraiser
613 | must be independent of the property owner who requests a rental
614 | market study. In preparing the rental market study, a certified
615 | general appraiser shall comply with the standards of
616 | professional practice pursuant to part II of chapter 475 and use
617 | comparable property within the same geographic area and of the
618 | same type as the property for which the exemption is sought. A
619 | rental market study must have been completed within 3 years
620 | before submission of the application.

621 | (10) Qualifying developments authorized pursuant to s.
622 | 125.01055 or s. 166.04151 may abate up to 20 percent of the
623 | development's ad valorem property tax for a period of 10 years
624 | by paying an amount equal to 20 percent of the total amount of
625 | the ad valorem property taxes to be abated at the time a

626 building permit is issued for the qualifying development.

627 (11) The Florida Housing Finance Corporation shall adopt
628 rules establishing standards for monitoring and compliance of a
629 property owner that receives an ad valorem property tax
630 exemption under this section, including a multifamily's or
631 adaptive reuse project's minimum number or percentage of
632 residential units used to provide affordable housing that meets
633 the requirements of this section. A county or municipality may
634 not impose compliance monitoring requirements more stringent
635 than the standards adopted by the corporation.

636 **Section 3. Paragraph (d) of subsection (2) of section**
637 **212.055, Florida Statutes, is amended to read:**

638 212.055 Discretionary sales surtaxes; legislative intent;
639 authorization and use of proceeds.—It is the legislative intent
640 that any authorization for imposition of a discretionary sales
641 surtax shall be published in the Florida Statutes as a
642 subsection of this section, irrespective of the duration of the
643 levy. Each enactment shall specify the types of counties
644 authorized to levy; the rate or rates which may be imposed; the
645 maximum length of time the surtax may be imposed, if any; the
646 procedure which must be followed to secure voter approval, if
647 required; the purpose for which the proceeds may be expended;
648 and such other requirements as the Legislature may provide.
649 Taxable transactions and administrative procedures shall be as
650 provided in s. 212.054.

651 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

652 (d) The proceeds of the surtax authorized by this
653 subsection and any accrued interest shall be expended by the
654 school district, within the county and municipalities within the
655 county, or, in the case of a negotiated joint county agreement,
656 within another county, to finance, plan, and construct
657 infrastructure; to acquire any interest in land for public
658 recreation, conservation, or protection of natural resources or
659 to prevent or satisfy private property rights claims resulting
660 from limitations imposed by the designation of an area of
661 critical state concern; to provide loans, grants, or rebates to
662 residential or commercial property owners who make energy
663 efficiency improvements to their residential or commercial
664 property, if a local government ordinance authorizing such use
665 is approved by referendum; or to finance the closure of county-
666 owned or municipally owned solid waste landfills that have been
667 closed or are required to be closed by order of the Department
668 of Environmental Protection. Any use of the proceeds or interest
669 for purposes of landfill closure before July 1, 1993, is
670 ratified. The proceeds and any interest may not be used for the
671 operational expenses of infrastructure, except that a county
672 that has a population of fewer than 75,000 and that is required
673 to close a landfill may use the proceeds or interest for long-
674 term maintenance costs associated with landfill closure.
675 Counties, as defined in s. 125.011, and charter counties may, in

676 addition, use the proceeds or interest to retire or service
677 indebtedness incurred for bonds issued before July 1, 1987, for
678 infrastructure purposes, and for bonds subsequently issued to
679 refund such bonds. Any use of the proceeds or interest for
680 purposes of retiring or servicing indebtedness incurred for
681 refunding bonds before July 1, 1999, is ratified.

682 1. For the purposes of this paragraph, the term
683 "infrastructure" means:

684 a. Any fixed capital expenditure or fixed capital outlay
685 associated with the construction, reconstruction, or improvement
686 of public facilities that have a life expectancy of 5 or more
687 years, any related land acquisition, land improvement, design,
688 and engineering costs, and all other professional and related
689 costs required to bring the public facilities into service. For
690 purposes of this sub-subparagraph, the term "public facilities"
691 means facilities as defined in s. 163.3164(41), s. 163.3221(13),
692 or s. 189.012(5), and includes facilities that are necessary to
693 carry out governmental purposes, including, but not limited to,
694 fire stations, general governmental office buildings, and animal
695 shelters, regardless of whether the facilities are owned by the
696 local taxing authority or another governmental entity.

697 b. A fire department vehicle, an emergency medical service
698 vehicle, a sheriff's office vehicle, a police department
699 vehicle, or any other vehicle, and the equipment necessary to
700 outfit the vehicle for its official use or equipment that has a

701 life expectancy of at least 5 years.

702 c. Any expenditure for the construction, lease, or
703 maintenance of, or provision of utilities or security for,
704 facilities, as defined in s. 29.008.

705 d. Any fixed capital expenditure or fixed capital outlay
706 associated with the improvement of private facilities that have
707 a life expectancy of 5 or more years and that the owner agrees
708 to make available for use on a temporary basis as needed by a
709 local government as a public emergency shelter or a staging area
710 for emergency response equipment during an emergency officially
711 declared by the state or by the local government under s.
712 252.38. Such improvements are limited to those necessary to
713 comply with current standards for public emergency evacuation
714 shelters. The owner must enter into a written contract with the
715 local government providing the improvement funding to make the
716 private facility available to the public for purposes of
717 emergency shelter at no cost to the local government for a
718 minimum of 10 years after completion of the improvement, with
719 the provision that the obligation will transfer to any
720 subsequent owner until the end of the minimum period.

721 e. Any land acquisition expenditure for a residential
722 housing project in which at least 30 percent of the units are
723 affordable to individuals or families whose total annual
724 household income does not exceed 120 percent of the area median
725 income adjusted for household size, if the land is owned by a

726 local government or by a special district that enters into a
727 written agreement with the local government to provide such
728 housing. The local government or special district may enter into
729 a ground lease with a public or private person or entity for
730 nominal or other consideration for the construction of the
731 residential housing project on land acquired pursuant to this
732 sub-subparagraph.

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

736 ~~g.f.~~ Instructional technology used solely in a school
737 district's classrooms. As used in this sub-subparagraph, the
738 term "instructional technology" means an interactive device that
739 assists a teacher in instructing a class or a group of students
740 and includes the necessary hardware and software to operate the
741 interactive device. The term also includes support systems in
742 which an interactive device may mount and is not required to be
743 affixed to the facilities.

744 2. For the purposes of this paragraph, the term "energy
745 efficiency improvement" means any energy conservation and
746 efficiency improvement that reduces consumption through
747 conservation or a more efficient use of electricity, natural
748 gas, propane, or other forms of energy on the property,
749 including, but not limited to, air sealing; installation of
750 insulation; installation of energy-efficient heating, cooling,

751 or ventilation systems; installation of solar panels; building
752 modifications to increase the use of daylight or shade;
753 replacement of windows; installation of energy controls or
754 energy recovery systems; installation of electric vehicle
755 charging equipment; installation of systems for natural gas fuel
756 as defined in s. 206.9951; and installation of efficient
757 lighting equipment.

758 3. Notwithstanding any other provision of this subsection,
759 a local government infrastructure surtax imposed or extended
760 after July 1, 1998, may allocate up to 15 percent of the surtax
761 proceeds for deposit into a trust fund within the county's
762 accounts created for the purpose of funding economic development
763 projects having a general public purpose of improving local
764 economies, including the funding of operational costs and
765 incentives related to economic development. The ballot statement
766 must indicate the intention to make an allocation under the
767 authority of this subparagraph.

768 **Section 4. Subsections (24) and (25) of section 213.053,**
769 **Florida Statutes, are renumbered as subsections (25) and (26),**
770 **respectively, and a new subsection (24) is added to that section**
771 **to read:**

772 213.053 Confidentiality and information sharing.—

773 (24) The department may make available to the Division of
774 Historical Resources of the Department of State and the
775 Secretary of the Interior or his or her delegate, exclusively

776 for official purposes, information for the purposes of
777 administering s. 220.197.

778 **Section 5. Subsection (8) of section 220.02, Florida**
779 **Statutes, is amended to read:**

780 220.02 Legislative intent.—

781 (8) It is the intent of the Legislature that credits
782 against either the corporate income tax or the franchise tax be
783 applied in the following order: those enumerated in s. 631.828,
784 those enumerated in s. 220.191, those enumerated in s. 220.181,
785 those enumerated in s. 220.183, those enumerated in s. 220.182,
786 those enumerated in s. 220.1895, those enumerated in s. 220.195,
787 those enumerated in s. 220.184, those enumerated in s. 220.186,
788 those enumerated in s. 220.1845, those enumerated in s. 220.19,
789 those enumerated in s. 220.185, those enumerated in s. 220.1875,
790 those enumerated in s. 220.1876, those enumerated in s.
791 220.1877, those enumerated in s. 220.1878, those enumerated in
792 s. 220.193, those enumerated in former s. 288.9916, those
793 enumerated in former s. 220.1899, those enumerated in former s.
794 220.194, those enumerated in s. 220.196, those enumerated in s.
795 220.198, those enumerated in s. 220.1915, those enumerated in s.
796 220.199, those enumerated in s. 220.1991, ~~and~~ those enumerated
797 in s. 220.1992, and those enumerated in s. 220.197.

798 **Section 6. Paragraph (a) of subsection (1) of section**
799 **220.13, Florida Statutes, is amended to read:**

800 220.13 "Adjusted federal income" defined.—

801 (1) The term "adjusted federal income" means an amount
802 equal to the taxpayer's taxable income as defined in subsection
803 (2), or such taxable income of more than one taxpayer as
804 provided in s. 220.131, for the taxable year, adjusted as
805 follows:

806 (a) Additions.—There shall be added to such taxable
807 income:

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

813 b. Notwithstanding sub-subparagraph a., if a credit taken
814 under s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878 is
815 added to taxable income in a previous taxable year under
816 subparagraph 11. and is taken as a deduction for federal tax
817 purposes in the current taxable year, the amount of the
818 deduction allowed shall not be added to taxable income in the
819 current year. The exception in this sub-subparagraph is intended
820 to ensure that the credit under s. 220.1875, s. 220.1876, s.
821 220.1877, or s. 220.1878 is added in the applicable taxable year
822 and does not result in a duplicate addition in a subsequent
823 year.

824 2. The amount of interest which is excluded from taxable
825 income under s. 103(a) of the Internal Revenue Code or any other

826 federal law, less the associated expenses disallowed in the
827 computation of taxable income under s. 265 of the Internal
828 Revenue Code or any other law, excluding 60 percent of any
829 amounts included in alternative minimum taxable income, as
830 defined in s. 55(b)(2) of the Internal Revenue Code, if the
831 taxpayer pays tax under s. 220.11(3).

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

836 4. That portion of the wages or salaries paid or incurred
837 for the taxable year which is equal to the amount of the credit
838 allowable for the taxable year under s. 220.181. This
839 subparagraph shall expire on the date specified in s. 290.016
840 for the expiration of the Florida Enterprise Zone Act.

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

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

849 7. That portion of assessments to fund a guaranty
850 association incurred for the taxable year which is equal to the

851 amount of the credit allowable for the taxable year.

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

857 9. The amount taken as a credit for the taxable year under
858 s. 220.1895.

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

862 11. Any amount taken as a credit for the taxable year
863 under s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878. The
864 addition in this subparagraph is intended to ensure that the
865 same amount is not allowed for the tax purposes of this state as
866 both a deduction from income and a credit against the tax. This
867 addition is not intended to result in adding the same expense
868 back to income more than once.

869 12. The amount taken as a credit for the taxable year
870 under s. 220.193.

871 13. The amount taken as a credit for the taxable year
872 under s. 220.196. The addition in this subparagraph is intended
873 to ensure that the same amount is not allowed for the tax
874 purposes of this state as both a deduction from income and a
875 credit against the tax. The addition is not intended to result

876 | in adding the same expense back to income more than once.

877 | 14. The amount taken as a credit for the taxable year
878 | pursuant to s. 220.198.

879 | 15. The amount taken as a credit for the taxable year
880 | pursuant to s. 220.1915.

881 | 16. The amount taken as a credit for the taxable year
882 | pursuant to s. 220.199.

883 | 17. The amount taken as a credit for the taxable year
884 | pursuant to s. 220.1991.

885 | 18. The amount taken as a credit for the taxable year
886 | pursuant to s. 220.197.

887 | **Section 7. Section 220.197, Florida Statutes, is created**
888 | **to read:**

889 | 220.197 Florida Housing Revitalization Act; tax credits;
890 | reports.-

891 | (1) SHORT TITLE.-This section may be cited as the "Florida
892 | Housing Revitalization Act."

893 | (2) DEFINITIONS.-As used in this section, the term:

894 | (a) "Affordable" has the same meaning as in s.
895 | 420.0004(3).

896 | (b) "Certified historic structure" means a building,
897 | including its structural components, as defined in 36 C.F.R. s.
898 | 67.2, which is of a character subject to the allowance for
899 | depreciation provided in s. 167 of the Internal Revenue Code of
900 | 1986, as amended, and which is:

901 1. Individually listed in the National Register of
902 Historic Places; or

903 2. Located within a registered historic district and
904 certified by the Secretary of the Interior as being of historic
905 significance to the registered historic district as set forth in
906 36 C.F.R. s. 67.2.

907 (c) "Certified rehabilitation" means the rehabilitation of
908 a certified historic structure that the Secretary of the
909 Interior has certified to the Secretary of the Treasury as being
910 consistent with the historic character of the certified historic
911 structure and, if applicable, consistent with the registered
912 historic district in which the certified historic structure is
913 located as set forth in 36 C.F.R. s. 67.2.

914 (d) "Corporation" means the Florida Housing Finance
915 Corporation.

916 (e) "Division" means the Division of Historical Resources
917 of the Department of State.

918 (f) "Long-term leasehold" means a leasehold in a
919 nonresidential real property for a term of 39 years or more or a
920 leasehold in a residential real property for a term of 27.5
921 years or more.

922 (g) "National Register of Historic Places" means the list
923 of historic properties significant in American history,
924 architecture, archeology, engineering, and culture maintained by
925 the Secretary of the Interior as authorized in 54 U.S.C. s.

926 3021.

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

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

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

937 1. Designated under general law or local ordinance and
938 certified by the Secretary of the Interior as meeting criteria
939 that will substantially achieve the purposes of preserving and
940 rehabilitating buildings of historic significance to the
941 district; and

942 2. Certified by the Secretary of the Interior as meeting
943 substantially all of the requirements for listing a district in
944 the National Register of Historic Places.

945 (k) "Taxpayer" has the same meaning as in s. 220.03(1)(z)
946 and includes an insurer subject to the insurance premium tax
947 under s. 624.509.

948 (l) "Workforce housing" has the same meaning as in s.
949 420.5095(3).

950 (3) ELIGIBILITY FOR TAX CREDIT.—For taxable years

951 beginning on or after January 1, 2026, there is allowed a credit
952 in an amount equal to 20 percent of the total qualified expenses
953 incurred in rehabilitating a certified historic structure that
954 has been approved by the National Park Service to receive the
955 federal historic rehabilitation tax credit. The credit may be
956 used against any tax due for a taxable year under this chapter
957 and the insurance premium tax imposed in s. 624.509 after the
958 application of any other allowable credits. An insurer claiming
959 a credit against insurance premium liability tax under this
960 section may not be required to pay any additional retaliatory
961 tax levied pursuant to s. 624.5091 as a result of claiming such
962 credit. Section 624.5091 does not limit such credit in any
963 manner. A taxpayer may not receive more than \$2.5 million in tax
964 credits for a single project, even if such credits are accrued
965 over multiple tax years.

966 (a) To receive a tax credit under this section, within 6
967 months after the date a certified historical structure is placed
968 into service, the taxpayer must apply to the division, and
969 submit an application to the department, for a tax credit for
970 qualified expenses in the amount and under the conditions and
971 limitations provided in this section. The taxpayer must provide
972 the division with all of the following:

- 973 1. Documentation showing that:
974 a. The rehabilitation is a certified rehabilitation.
975 b. The structure is a certified historic structure, is

976 income-producing, is located within the state, and was placed
977 into service on or after January 1, 2026.

978 c. The taxpayer had an ownership or a long-term leasehold
979 interest in the certified historic structure during the year in
980 which such structure was placed into service after the certified
981 rehabilitation was complete.

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

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

986 2. An official certificate of eligibility from the
987 division, signed by the State Historic Preservation Officer or
988 the Deputy State Historic Preservation Officer, attesting that
989 the project has been approved by the National Park Service.

990 3. National Park Service Form 10-168c (Rev. 2023), titled
991 "Historic Preservation Certification Application Part 3-Request
992 for Certification of Completed Work," or a similar form, signed
993 by an officer of the National Park Service, attesting that the
994 completed rehabilitation meets the Secretary of the Interior's
995 Standards for Rehabilitation and is consistent with the historic
996 character of the property and, if applicable, the district in
997 which the completed rehabilitation is located. The form may be
998 obtained through the National Park Service.

999 4. Evidence that the certified historic structure was
1000 placed into service after the certified rehabilitation was

1001 complete. Such evidence must identify the dates rehabilitation
1002 was started and completed and the date the structure was placed
1003 into service.

1004 5. A list of total qualified expenses incurred by the
1005 taxpayer in rehabilitating the certified historic structure. For
1006 certified rehabilitations with qualified expenses that exceeded
1007 \$750,000, the taxpayer must submit an audited cost report issued
1008 by a certified public accountant which itemizes the qualified
1009 expenses incurred in rehabilitating the certified historic
1010 structure. A taxpayer may submit an audited cost report issued
1011 by a certified public accountant which was created for the
1012 purposes of applying for a federal historic rehabilitation tax
1013 credit and which includes all of the qualified expenses incurred
1014 in rehabilitating the certified historic structure.

1015 6. An attestation of the total qualified expenses incurred
1016 in rehabilitating the certified historic structure.

1017 7. A certification from the corporation stating that all
1018 housing provided by the project meets state requirements for
1019 affordable or workforce housing.

1020 8. The information required to be reported by the
1021 department in subsection (7) to enable the department to compile
1022 its annual report.

1023
1024 A taxpayer may begin the application process before the
1025 certified historic structure is placed into service; however, a

1026 final determination on eligibility may not be made until after
1027 the certified historic structure is placed into service.

1028 (b) The department shall only deem a project eligible for
1029 this tax credit if the applicant exclusively submits qualified
1030 expenses used to create affordable or workforce housing.

1031 (c) Affordable or workforce housing must be provided for
1032 at least 5 years or the applicant shall be subject to forfeiture
1033 of the tax credit as provided under paragraph (7) (g).

1034 (d) Within 90 days after receipt of the information
1035 required under paragraph (a) or the certified historic structure
1036 is placed into service, whichever is later, the division must
1037 approve or deny the application. If approved, the division must
1038 submit a copy of the certification and the information provided
1039 by the applicant to the department within 10 days after the
1040 division's approval.

1041 (4) CARRYFORWARD OF TAX CREDIT.—

1042 (a) If a taxpayer is eligible for a tax credit that
1043 exceeds taxes owed, the taxpayer may carry the unused tax credit
1044 forward for a period of up to 5 taxable years.

1045 (b) A carryforward is considered the remaining portion of
1046 a tax credit that cannot be claimed in the current tax year.

1047 (5) SALE OR TRANSFER OF TAX CREDIT.—

1048 (a) A taxpayer that incurs qualified expenses may sell or
1049 transfer all or part of the tax credit that may otherwise be
1050 claimed to another taxpayer.

1051 (b) A taxpayer to which all or part of the tax credit is
1052 sold or transferred may sell or transfer all or part of the tax
1053 credit that may otherwise be claimed to another taxpayer.

1054 (c) A taxpayer that sells or transfers a tax credit to
1055 another taxpayer must provide a copy of the certificate of
1056 eligibility together with the audited cost report to the
1057 purchaser or transferee.

1058 (d) Qualified expenses may be counted only once in
1059 determining the amount of an available tax credit, and more than
1060 one taxpayer may not claim a tax credit for the same qualified
1061 expenses.

1062 (e) There is no limit on the total number of transactions
1063 for the sale or transfer of all or part of a tax credit.

1064 (f)1. A taxpayer that sells or transfers a tax credit
1065 under this subsection and the purchaser or transferee shall
1066 jointly submit written notice of the sale or transfer to the
1067 department on a form adopted by the department no later than 30
1068 days after the date of the sale or transfer. The notice must
1069 include all of the following:

1070 a. The date of the sale or transfer.

1071 b. The amount of the tax credit sold or transferred.

1072 c. The name and federal tax identification number of the
1073 taxpayer that sold or transferred the tax credit and the
1074 purchaser or transferee.

1075 d. The amount of the tax credit owned by the taxpayer

1076 before the sale or transfer and the amount the selling or
1077 transferring taxpayer retained, if any, after the sale or
1078 transfer.

1079 2. The sale or transfer of a tax credit under this
1080 subsection does not extend the period for which a tax credit may
1081 be carried forward and does not increase the total amount of the
1082 tax credit that may be claimed.

1083 3. If a taxpayer claims a tax credit for qualified
1084 expenses, another taxpayer may not use the same expenses as the
1085 basis for claiming a tax credit.

1086 4. Notwithstanding the requirements of this subsection, a
1087 tax credit earned by, purchased by, or transferred to a
1088 partnership, limited liability company, S corporation, or other
1089 pass-through entity may be allocated to the partners, members,
1090 or shareholders of that entity and claimed under this section in
1091 accordance with any agreement among the partners, members, or
1092 shareholders and without regard to the ownership interest of the
1093 partners, members, or shareholders in the rehabilitated
1094 certified historic structure.

1095 (g) If the tax credit is reduced due to a determination,
1096 examination, or audit by the department, the tax deficiency must
1097 be recovered from the taxpayer that sold or transferred the tax
1098 credit or the purchaser or transferee that claimed the tax
1099 credit up to the amount of the tax credit claimed.

1100 (h) Any subsequent deficiencies shall be assessed against

1101 the purchaser or transferee that claimed the tax credit or, in
1102 the case of multiple succeeding entities, in the order of tax
1103 credit succession.

1104 (6) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX
1105 CREDITS; FRAUDULENT CLAIMS.—

1106 (a) The department, with the assistance of the division,
1107 may perform any additional financial and technical audits and
1108 examinations, including examining the accounts, books, or
1109 records of the taxpayer, to verify the legitimacy of the
1110 qualified expenses included in a tax credit return and to ensure
1111 compliance with this section. If requested by the department,
1112 the division must provide technical assistance for any technical
1113 audits or examinations performed under this subsection.

1114 (b) It is grounds for forfeiture of previously claimed and
1115 received tax credits if the department determines, as a result
1116 of an audit or information received from the division or the
1117 United States Department of the Interior or Internal Revenue
1118 Service, that a taxpayer received a tax credit pursuant to this
1119 section to which the taxpayer was not entitled. In the case of
1120 fraud, the taxpayer may not claim any future tax credits under
1121 this section.

1122 (c) The taxpayer must return forfeited tax credits to the
1123 department, and such funds shall be paid into the General
1124 Revenue Fund.

1125 (d) The taxpayer shall file with the department an amended

1126 tax return or such other report as the department prescribes and
1127 shall pay any required tax within 60 days after the taxpayer
1128 receives notification from the United States Internal Revenue
1129 Service that a previously approved tax credit has been revoked
1130 or modified, if uncontested, or within 60 days after a final
1131 order is issued following proceedings involving a contested
1132 revocation or modification order.

1133 (e) A notice of deficiency may be issued by the department
1134 at any time within 5 years after the date on which the taxpayer
1135 receives notification from the United States Internal Revenue
1136 Service that a previously approved tax credit has been revoked
1137 or modified. If a taxpayer fails to notify the department of any
1138 change in its tax credit claimed, a notice of deficiency may be
1139 issued at any time. In either case, the amount of any proposed
1140 assessment set forth in such notice of deficiency is limited to
1141 the amount of the tax credit claimed.

1142 (f) A taxpayer that fails to report and timely pay any tax
1143 due as a result of the forfeiture of its tax credit violates
1144 this section and is subject to applicable penalties and
1145 interest.

1146 (g) A taxpayer that fails to provide affordable or
1147 workforce housing for at least 5 years forfeits the tax credit.
1148 The taxpayer must return the forfeited credit to the department,
1149 and such funds shall be paid into the General Revenue Fund. The
1150 forfeiture of the credit shall be prorated at a rate of 4

1151 percent of the total credit for each year that housing was not
1152 provided.

1153 (7) ANNUAL REPORT.—Based on the applications submitted and
1154 approved, the department must submit a report by December 1 of
1155 each year to the Governor, the President of the Senate, and the
1156 Speaker of the House of Representatives that identifies, in the
1157 aggregate, all of the following:

1158 (a) The number of employees hired during construction
1159 phases.

1160 (b) The use of each newly rehabilitated building and the
1161 expected number of employees hired.

1162 (c) The number of affordable housing or workforce housing
1163 units created or preserved.

1164 (d) The property values before and after the certified
1165 rehabilitations.

1166 (8) DEPARTMENT DUTIES.—The department shall:

1167 (a) Establish a cooperative agreement with the division.

1168 (b) Adopt any necessary form required to claim a tax
1169 credit under this section.

1170 (c) Provide administrative guidelines and procedures
1171 required to administer this section, including rules
1172 establishing an entitlement to and sale or transfer of a tax
1173 credit under this section.

1174 (d) Provide examination and audit procedures required to
1175 administer this section.

1176 (9) RULES.—The department, the division, and the
1177 corporation may adopt rules to administer this section,
1178 including the form of application and establishing
1179 qualifications for the tax credit.

1180 **Section 8. Subsection (36) of section 420.503, Florida**
1181 **Statutes, is amended to read:**

1182 420.503 Definitions.—As used in this part, the term:
1183 (36) "Qualified contract" has the same meaning as in 26
1184 U.S.C. s. 42(h)(6)(F) in effect on the date of the preliminary
1185 determination certificate for the low-income housing tax credits
1186 for the development that is the subject of the qualified
1187 contract request, unless the Internal Revenue Code requires a
1188 different statute or regulation to apply to the development. The
1189 corporation shall deem a bona fide contract to be a qualified
1190 contract at the time the second earnest money ~~bona fide contract~~
1191 ~~is presented to the owner and the initial~~ deposit is deposited
1192 in escrow in accordance with the terms of the bona fide
1193 contract, and, in such event, the corporation is deemed to have
1194 fulfilled its responsibility to present the owner with a
1195 qualified contract.

1196 **Section 9. Subsection (5) of section 420.50871, Florida**
1197 **Statutes, is renumbered as subsection (6), paragraph (b) of**
1198 **subsection (1) and present subsection (5) are amended, and a new**
1199 **subsection (5) is added to that section, to read:**

1200 420.50871 Allocation of increased revenues derived from

1201 amendments to s. 201.15 made by ch. 2023-17.—Funds that result
1202 from increased revenues to the State Housing Trust Fund derived
1203 from amendments made to s. 201.15 made by chapter 2023-17, Laws
1204 of Florida, must be used annually for projects under the State
1205 Apartment Incentive Loan Program under s. 420.5087 as set forth
1206 in this section, notwithstanding ss. 420.507(48) and (50) and
1207 420.5087(1) and (3). The Legislature intends for these funds to
1208 provide for innovative projects that provide affordable and
1209 attainable housing for persons and families working, going to
1210 school, or living in this state. Projects approved under this
1211 section are intended to provide housing that is affordable as
1212 defined in s. 420.0004, notwithstanding the income limitations
1213 in s. 420.5087(2). Beginning in the 2023-2024 fiscal year and
1214 annually for 10 years thereafter:

1215 (1) The corporation shall allocate 70 percent of the funds
1216 provided by this section to issue competitive requests for
1217 application for the affordable housing project purposes
1218 specified in this subsection. The corporation shall finance
1219 projects that:

1220 (b) Address urban infill, including conversions of vacant,
1221 dilapidated, or functionally obsolete buildings or the use of
1222 underused commercial property. As used in this paragraph, the
1223 term "urban infill" has the same meaning as in s. 163.3164(51).
1224 The term includes the development or redevelopment of mobile
1225 home parks and manufactured home communities that meet the urban

1226 infill criteria and the criteria for redevelopment of an
 1227 existing affordable housing development as provided in paragraph
 1228 (a).

1229 (5) The corporation may not require a project financed
 1230 under this section to use low-income housing tax credits under
 1231 s. 42 of the Internal Revenue Code or tax-exempt bond financing.

1232 **Section 10. Paragraph (d) is added to subsection (5) of**
 1233 **section 420.50872, Florida Statutes, to read:**

1234 420.50872 Live Local Program.—

1235 (5) ADMINISTRATION; RULES.—

1236 (d) The corporation may not require a project financed
 1237 under this section to use low-income housing tax credits under
 1238 s. 42 of the Internal Revenue Code or tax-exempt bond financing.

1239 **Section 11. Subsection (7) of section 624.509, Florida**
 1240 **Statutes, is amended to read:**

1241 624.509 Premium tax; rate and computation.—

1242 (7) Credits and deductions against the tax imposed by this
 1243 section shall be taken in the following order: deductions for
 1244 assessments made pursuant to s. 440.51; credits for taxes paid
 1245 under ss. 175.101 and 185.08; credits for income taxes paid
 1246 under chapter 220 and the credit allowed under subsection (5),
 1247 as these credits are limited by subsection (6); the credit
 1248 allowed under s. 624.51057; the credit allowed under s.
 1249 624.51058; the credit allowed under s. 624.5107; the credit
 1250 allowed under s. 220.197; and all other available credits and

1251 | deductions.

1252 | **Section 12.** The amendments made by this act to ss.
1253 | 196.1978 and 196.1979, Florida Statutes, and the creation of s.
1254 | 220.197, Florida Statutes, first apply to the 2026 tax roll.

1255 | **Section 13.** This act shall take effect July 1, 2025.