

1 A bill to be entitled
2 An act relating to tax credits for contributions to
3 assist homebuyers; providing a directive to the
4 Division of Law Revision; creating part VII of ch.
5 420, F.S.; creating s. 420.951, F.S.; defining terms;
6 creating s. 420.952, F.S., authorizing certain
7 taxpayers to receive a tax credit for specified
8 contributions; providing requirements for the use of
9 such credit; requiring a taxpayer to submit a certain
10 application beginning on a specified date; requiring
11 the application include specified information and
12 documentation; authorizing the tax credit to be used
13 against certain taxes; requiring the Department of
14 Revenue to approve applications in a specified manner;
15 providing the maximum amount of credits authorized for
16 specified fiscal years; authorizing unused credits to
17 carryforward for a specified period of time in certain
18 circumstances; prohibiting the sale or transfer of
19 certain tax credits; authorizing the department to
20 adopt rules; providing for future repeal; providing
21 construction; creating s. 220.1856, F.S.; providing a
22 credit against the corporate income tax for certain
23 contributions beginning on a specified date;
24 authorizing the credit on a consolidated return basis
25 under certain circumstances; providing applicability;

amending s. 220.02, F.S.; revising the order in which certain credits are intended to be applied to incorporate changes made by the act; amending s. 220.13, F.S.; requiring the addition of the amount taken for a specified credit to taxable income; creating s. 624.51065, F.S.; providing a credit against insurance premium taxes for certain contributions beginning on a specified date; providing construction; providing applicability; authorizing the department to adopt emergency rules; providing for future repeal; providing effective dates.

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

Section 1. The Division of Law Revision is directed to create part VIII of chapter 420, Florida Statutes, consisting of ss. 420.951 and 420.952, Florida Statutes, to be entitled "Housing Tax Credits."

Section 2. Section 420.951, Florida Statutes, is created to read:

420.951 Definitions.—As used in this part, the term:
(1) "Department" means the Department of Revenue.
(2) "Eligible employee" means a full-time employee who:
(a) Has established permanent residency in the state;
(b) Is a moderate-income person as that term is defined in s. 420.602; and

51 (c) Has not owned property to which the homestead
52 exemption provided in s. 196.031(1)(a) applied in the 3 calendar
53 years before such purchase.

54 (3) "Eligible expenses" means a down payment or any
55 closing costs related to a qualifying home purchase.

56 (4) "Eligible taxpayer" means a taxpayer as defined in s.
57 220.03(1)(z) or an insurer as defined in s. 624.509(9) who has
58 operated in the state for at least 3 consecutive years.

59 (5) "Employer contribution" means a monetary contribution
60 of at least \$1,000 from an employer to its employee pursuant to
61 this part.

62 (6) "Qualifying home purchase" means the purchase of a
63 property by an eligible employee for use as his or her primary
64 residence.

65 (7) "Maximum annual tax credit amount" means, for any
66 state fiscal year, the sum of the amount of tax credits approved
67 under s. 420.952, including tax credits to be taken under s.
68 220.1856 or s. 624.51065, which the department may approve for
69 taxpayers whose taxable years begin on or after January 1 of the
70 calendar year preceding the start of the applicable state fiscal
71 year.

72 (8) "Tax due" means any tax required under chapter 220 or
73 chapter 624.

74 **Section 3. Section 420.952, Florida Statutes, is created**
75 **to read:**

76 420.952 Homebuyer Workforce Tax Credit.—

77 (1) An eligible taxpayer may receive a credit against any
78 tax due, up to \$500,000 per taxable year, for 100 percent of an
79 employer contribution to an eligible employee to pay for
80 eligible expenses related to a qualifying home purchase. An
81 eligible taxpayer may not receive more than \$5,000 of credit for
82 employer contributions made to a single employee.

83 (2) The credit shall be first applied to the taxable year
84 in which the contribution is made. If a tax credit approved
85 under this section is not fully used for the specified taxable
86 year because of insufficient tax liability on the part of the
87 eligible taxpayer, the unused amount may be carried forward for
88 a period not to exceed 5 taxable years. For purposes of s.
89 220.1856, the carryover credit may be used in a subsequent year
90 after applying the other credits and unused credit carryovers in
91 the order provided in s. 220.02(8).

92 (3) The total credit taken by an eligible taxpayer in a
93 single taxable year may not exceed the total of the credit
94 approved by the department pursuant to subsection (4).

95 (4) Beginning October 1, 2026, an eligible taxpayer may
96 submit an application to the department for the purposes of
97 determining qualification for a credit under this section. The
98 department must approve the application for the credit before
99 the eligible taxpayer is authorized to claim the credit on a
100 return.

101 (a) An application must include, on a form prescribed by
102 the department, documentation including:

103 1. A statement signed under oath by the eligible employee
104 that he or she received the eligible contribution, that the
105 employee's household met the applicable income limitation, and
106 that such contribution was used for a qualifying home purchase.

107 2. Evidence that the eligible employee has been approved
108 by the property appraiser for a homestead exemption on the
109 applicable property.

110 3. Any other information the department requires to verify
111 qualification for the credits authorized under subsection (1).

112 (b) The eligible taxpayer shall specify in the application
113 each tax for which the taxpayer requests a credit and the
114 applicable taxable year. For purposes of s. 220.1856, a taxpayer
115 may apply for a credit to be used for a prior taxable year
116 before the date the taxpayer is required to file a return for
117 that year pursuant to s. 220.222. For purposes of s. 624.51065,
118 a taxpayer may apply for a credit to be used for a prior taxable
119 year before the date the taxpayer is required to file a return
120 for that prior taxable year pursuant to ss. 624.509 and
121 624.5092.

122 (5) The department shall approve applications on a first-
123 come, first-served basis within 30 days after receipt of a
124 completed application. Within 10 days after approving or denying
125 an application, the department shall provide a copy of its

126 approval or denial letter to the taxpayer. If the department
127 determines that an application is incomplete, the department
128 shall notify the taxpayer in writing and the taxpayer shall have
129 30 days after receiving such notification to correct any
130 deficiency. If corrected in a timely manner, the application
131 must be deemed completed as of the date the application was
132 first submitted.

133 (6) For purposes of calculating the underpayment of
134 estimated corporate income taxes under s. 220.34 and tax
135 installment payments for taxes on insurance premiums or
136 assessments under s. 624.5092, the final amount due is the
137 amount after credits earned under s. 220.1856 or s. 624.51065
138 are deducted.

139 (a) For purposes of determining if a penalty or interest
140 under s. 220.34(2)(d)1. will be imposed for underpayment of
141 estimated corporate income tax, a taxpayer may, after earning a
142 credit under s. 220.1856, reduce any estimated payment in that
143 taxable year by the amount of the credit.

144 (b) For purposes of determining if a penalty under s.
145 624.5092 will be imposed, an insurer, after earning a credit
146 under s. 624.51065 for a taxable year, may reduce any
147 installment payment for such taxable year of 27 percent of the
148 amount of the net tax due as reported on the return for the
149 preceding year under s. 624.5092(2)(b) by the amount of the
150 credit.

151 (7) For state fiscal years 2026-2027, 2027-2028, and 2028-
152 2029, the maximum annual tax credit amount is \$5 million.

153 (8) An eligible taxpayer may not convey, transfer, or
154 assign an approved tax credit or carryforward tax credit to
155 another entity.

156 (9) The department may adopt rules necessary to administer
157 this section, including rules establishing application forms,
158 procedures governing the approval and carryforward of tax
159 credits, and procedures to be followed by taxpayers when
160 claiming approved tax credits on their returns.

161 (10) (a) This section is repealed January 1, 2030, unless
162 reviewed and saved from repeal through reenactment by the
163 Legislature.

164 (b) Notwithstanding the repeal of this section contained in
165 paragraph (a), carryover credits authorized under subsection (2)
166 remain valid until their scheduled expiration.

167 **Section 4. Section 220.1856, Florida Statutes, is created**
168 **to read:**

169 220.1856 Homebuyer Workforce Tax Credit.—

170 (1) For taxable years beginning on or after January 1,
171 2027, there is allowed a credit of 100 percent of an eligible
172 contribution made under s. 420.952 against any tax due for a
173 taxable year under this chapter. An eligible contribution must
174 be made on or before the date the taxpayer is required to file a
175 return pursuant to s. 220.222.

176 (2) A taxpayer who files a Florida consolidated return as
177 a member of an affiliated group pursuant to s. 220.131(1) may be
178 allowed the credit on a consolidated return basis.

179 (3) Section 420.952 applies to the credit authorized by
180 this section.

181 (4) If a taxpayer applies and is approved for a credit
182 under s. 420.952 after timely requesting an extension to file
183 under s. 220.222(2):

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

188 (b) The taxpayer's noncompliance with the requirement to
189 pay tentative taxes shall result in the revocation and
190 rescindment of any such credit.

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

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

196 220.02 Legislative intent.—

197 (8) It is the intent of the Legislature that credits
198 against either the corporate income tax or the franchise tax be
199 applied in the following order: those enumerated in s. 631.828,
200 those enumerated in s. 220.191, those enumerated in s. 220.181,

those enumerated in s. 220.183, those enumerated in s. 220.182,
those enumerated in s. 220.1895, those enumerated in s. 220.195,
those enumerated in s. 220.184, those enumerated in s. 220.186,
those enumerated in s. 220.1845, those enumerated in s. 220.19,
those enumerated in s. 220.185, those enumerated in s. 220.1875,
those enumerated in s. 220.1876, those enumerated in s.
220.1877, those enumerated in s. 220.18775, those enumerated in
s. 220.1878, those enumerated in s. 288.062, those enumerated in
former s. 288.9916, those enumerated in former s. 220.1899,
those enumerated in former s. 220.194, those enumerated in s.
220.196, those enumerated in s. 220.198, those enumerated in s.
220.1915, those enumerated in s. 220.199, those enumerated in s.
220.1991, ~~and~~ those enumerated in s. 220.1992, and those
enumerated in s. 220.1856.

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

220.13 "Adjusted federal income" defined.—

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

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

1.a. The amount of any tax upon or measured by income,

226 excluding taxes based on gross receipts or revenues, paid or
227 accrued as a liability to the District of Columbia or any state
228 of the United States which is deductible from gross income in
229 the computation of taxable income for the taxable year.

230 b. Notwithstanding sub-subparagraph a., if a credit taken
231 under s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878 is
232 added to taxable income in a previous taxable year under
233 subparagraph 11. and is taken as a deduction for federal tax
234 purposes in the current taxable year, the amount of the
235 deduction allowed shall not be added to taxable income in the
236 current year. The exception in this sub-subparagraph is intended
237 to ensure that the credit under s. 220.1875, s. 220.1876, s.
238 220.1877, or s. 220.1878 is added in the applicable taxable year
239 and does not result in a duplicate addition in a subsequent
240 year.

241 2. The amount of interest which is excluded from taxable
242 income under s. 103(a) of the Internal Revenue Code or any other
243 federal law, less the associated expenses disallowed in the
244 computation of taxable income under s. 265 of the Internal
245 Revenue Code or any other law, excluding 60 percent of any
246 amounts included in alternative minimum taxable income, as
247 defined in s. 55(b)(2) of the Internal Revenue Code, if the
248 taxpayer pays tax under s. 220.11(3).

249 3. In the case of a regulated investment company or real
250 estate investment trust, an amount equal to the excess of the

251 net long-term capital gain for the taxable year over the amount
252 of the capital gain dividends attributable to the taxable year.

253 4. That portion of the wages or salaries paid or incurred
254 for the taxable year which is equal to the amount of the credit
255 allowable for the taxable year under s. 220.181. This
256 subparagraph shall expire on the date specified in s. 290.016
257 for the expiration of the Florida Enterprise Zone Act.

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

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

266 7. That portion of assessments to fund a guaranty
267 association incurred for the taxable year which is equal to the
268 amount of the credit allowable for the taxable year.

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

274 9. The amount taken as a credit for the taxable year under
275 s. 220.1895.

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

279 11. Any amount taken as a credit for the taxable year
280 under s. 220.1875, s. 220.1876, s. 220.1877, or s. 220.1878. The
281 addition in this subparagraph is intended to ensure that the
282 same amount is not allowed for the tax purposes of this state as
283 both a deduction from income and a credit against the tax. This
284 addition is not intended to result in adding the same expense
285 back to income more than once.

286 12. The amount taken as a credit for the taxable year
287 under s. 220.196. The addition in this subparagraph is intended
288 to ensure that the same amount is not allowed for the tax
289 purposes of this state as both a deduction from income and a
290 credit against the tax. The addition is not intended to result
291 in adding the same expense back to income more than once.

292 13. The amount taken as a credit for the taxable year
293 pursuant to s. 220.198.

294 14. The amount taken as a credit for the taxable year
295 pursuant to s. 220.1915.

296 15. The amount taken as a credit for the taxable year
297 pursuant to s. 220.199.

298 16. The amount taken as a credit for the taxable year
299 pursuant to s. 220.1991.

300 17. The amount taken as a credit for the taxable year

301 pursuant to s. 220.1856, which was deducted in the computation
302 of taxable income for the taxable year.

303 **Section 7. Section 624.51065, Florida Statutes, is created**
304 **to read:**

305 624.51065 Homebuyer Workforce Tax Credit.—

306 (1) For taxable years beginning on or after January 1,
307 2027, there is allowed a credit of 100 percent of an eligible
308 contribution made under s. 420.952 against any tax due for a
309 taxable year under this chapter after deducting from such tax
310 credits and deductions in the order provided in s. 624.509(7).

311 (2) An eligible contribution must be made on or before the
312 date the taxpayer is required to file a return pursuant to ss.
313 624.509 and 624.5092. An insurer claiming a credit against
314 premium tax liability under this section is not required to pay
315 any additional retaliatory tax levied under s. 624.5091 as a
316 result of claiming such credit. Section 624.5091 does not limit
317 such credit in any manner.

318 (3) Section 420.952 applies to the credit authorized by
319 this section.

320 **Section 8. (1) The Department of Revenue is authorized,**
321 and all conditions are deemed met, to adopt emergency rules
322 under s. 120.54(4), Florida Statutes, for the purpose of
323 implementing provisions related to the creation of the Homebuyer
324 Workforce Tax Credit by this act. Notwithstanding any other law,
325 emergency rules adopted under this section are effective for 6

326 months after adoption and may be renewed during the pendency of
327 procedures to adopt permanent rules addressing the subject of
328 the emergency rules.

329 (2) This section shall take effect upon becoming a law and
330 expires July 1, 2029.

331 **Section 9.** Except as otherwise expressly provided by this
332 act and except for this section, which shall take effect upon
333 becoming a law, this act shall take effect July 1, 2026.