

Bill No. CS for SB 1828

Amendment No. 1 Barcode 692094

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	The Committee on Finance and Taxation recommended the		
12	following amendment:		
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14	Senate Amendment (with title amendment)		
15	On page 2 between lines 5 and 6,		
16			
17	insert:		
18	Section 2. Paragraph (q) of subsection (5) of section		
19	212.08, Florida Statutes, is amended to read:		
20	212.08 Sales, rental, use, consumption, distribution,		
21	and storage tax; specified exemptions.--The sale at retail,		
22	the rental, the use, the consumption, the distribution, and		
23	the storage to be used or consumed in this state of the		
24	following are hereby specifically exempt from the tax imposed		
25	by this chapter.		
26	(5) EXEMPTIONS; ACCOUNT OF USE.--		
27	(q) Community contribution tax credit for donations.--		
28	1. Authorization.--Beginning July 1, 2001, persons who		
29	are registered with the department under s. 212.18 to collect		
30	or remit sales or use tax and who make donations to eligible		
31	sponsors are eligible for tax credits against their state		

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1 sales and use tax liabilities as provided in this paragraph:

2 a. The credit shall be computed as 50 percent of the
3 person's approved annual community contribution;

4 b. The credit shall be granted as a refund against
5 state sales and use taxes reported on returns and remitted in
6 the 12 months preceding the date of application to the
7 department for the credit as required in sub-subparagraph 3.c.
8 If the annual credit is not fully used through such refund
9 because of insufficient tax payments during the applicable
10 12-month period, the unused amount may be included in an
11 application for a refund made pursuant to sub-subparagraph
12 3.c. in subsequent years against the total tax payments made
13 for such year. Carryover credits may be applied for a 3-year
14 period without regard to any time limitation that would
15 otherwise apply under s. 215.26;

16 c. No person shall receive more than \$200,000 in
17 annual tax credits for all approved community contributions
18 made in any one year;

19 d. All proposals for the granting of the tax credit
20 shall require the prior approval of the Office of Tourism,
21 Trade, and Economic Development;

22 e. The total amount of tax credits which may be
23 granted for all programs approved under this paragraph, s.
24 220.183, and s. 624.5105 is \$10 million annually; and

25 f. A person who is eligible to receive the credit
26 provided for in this paragraph, s. 220.183, or s. 624.5105 may
27 receive the credit only under the one section of the person's
28 choice.

29 2. Eligibility requirements.--

30 a. A community contribution by a person must be in the
31 following form:

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1 (I) Cash or other liquid assets;

2 (II) Real property;

3 (III) Goods or inventory; or

4 (IV) Other physical resources as identified by the
5 Office of Tourism, Trade, and Economic Development.

6 b.(I) All community contributions must be reserved
7 exclusively for use in a project. As used in this
8 sub-subparagraph, the term "project" means any activity
9 undertaken by an eligible sponsor which is designed to
10 construct, improve, or substantially rehabilitate housing that
11 is affordable to low-income or very-low-income households as
12 defined in s. 420.9071(19) and (28); designed to provide
13 commercial, industrial, or public resources and facilities; or
14 designed to improve entrepreneurial and job-development
15 opportunities for low-income persons. A project may be the
16 investment necessary to increase access to high-speed
17 broadband capability in rural communities with enterprise
18 zones, including projects that result in improvements to
19 communications assets that are owned by a business. A project
20 may include the provision of museum educational programs and
21 materials that are directly related to any project approved
22 between January 1, 1996, and December 31, 1999, and located in
23 an enterprise zone as referenced in s. 290.00675. This
24 paragraph does not preclude projects that propose to construct
25 or rehabilitate housing for low-income or very-low-income
26 households on scattered sites. ~~The Office of Tourism, Trade,~~
27 ~~and Economic Development may reserve up to 50 percent of the~~
28 ~~available annual tax credits for housing for very-low-income~~
29 ~~households pursuant to s. 420.9071(28) for the first 6 months~~
30 ~~of the fiscal year.~~ With respect to housing, contributions may
31 be used to pay the following eligible low-income and

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1 very-low-income housing-related activities:

2 ~~(A)(I)~~ Project development impact and management fees
 3 for low-income or very-low-income housing projects;

4 ~~(B)(II)~~ Down payment and closing costs for eligible
 5 persons, as defined in s. 420.9071(19) and (28);

6 ~~(C)(III)~~ Administrative costs, including housing
 7 counseling and marketing fees, not to exceed 10 percent of the
 8 community contribution, directly related to low-income or
 9 very-low-income projects; and

10 ~~(D)(IV)~~ Removal of liens recorded against residential
 11 property by municipal, county, or special district local
 12 governments when satisfaction of the lien is a necessary
 13 precedent to the transfer of the property to an eligible
 14 person, as defined in s. 420.9071(19) and (28), for the
 15 purpose of promoting home ownership. Contributions for lien
 16 removal must be received from a nonrelated third party.

17 (II) Within the first 6 months of the fiscal year, no
 18 more than 50 percent of the annual tax credits may be approved
 19 for donations made to approved sponsors for projects that
 20 provide housing for low-income or very-low-income households
 21 as defined in s. 420.9071(19) and (28).

22
 23 If less than 50 percent of the annual tax credits for
 24 donations made to approved sponsors for projects other than
 25 those for low-income or very-low-income households are
 26 approved within the first 6 months of the fiscal year, the
 27 Office of Tourism, Trade and Economic Development may approve
 28 the balance of tax credits for donations made to approved
 29 sponsors for projects that provide housing for low-income or
 30 very-low-income households.

31 c. The project must be undertaken by an "eligible

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1 sponsor," which includes:
2 (I) A community action program;
3 (II) A nonprofit community-based development
4 organization whose mission is the provision of housing for
5 low-income or very-low-income households or increasing
6 entrepreneurial and job-development opportunities for
7 low-income persons;
8 (III) A neighborhood housing services corporation;
9 (IV) A local housing authority created under chapter
10 421;
11 (V) A community redevelopment agency created under s.
12 163.356;
13 (VI) The Florida Industrial Development Corporation;
14 (VII) A historic preservation district agency or
15 organization;
16 (VIII) A regional workforce board;
17 (IX) A direct-support organization as provided in s.
18 1009.983;
19 (X) An enterprise zone development agency created
20 under s. 290.0056;
21 (XI) A community-based organization incorporated under
22 chapter 617 which is recognized as educational, charitable, or
23 scientific pursuant to s. 501(c)(3) of the Internal Revenue
24 Code and whose bylaws and articles of incorporation include
25 affordable housing, economic development, or community
26 development as the primary mission of the corporation;
27 (XII) Units of local government;
28 (XIII) Units of state government; or
29 (XIV) Any other agency that the Office of Tourism,
30 Trade, and Economic Development designates by rule.
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1 In no event may a contributing person have a financial
2 interest in the eligible sponsor.

3 d. The project must be located in an area designated
4 an enterprise zone or a Front Porch Florida Community pursuant
5 to s. 14.2015(9)(b), unless the project increases access to
6 high-speed broadband capability for rural communities with
7 enterprise zones but is physically located outside the
8 designated rural zone boundaries. Any project designed to
9 construct or rehabilitate housing for low-income or
10 very-low-income households as defined in s. 420.0971(19) and
11 (28) is exempt from the area requirement of this
12 sub-subparagraph.

13 3. Application requirements.--

14 a. Any eligible sponsor seeking to participate in this
15 program must submit a proposal to the Office of Tourism,
16 Trade, and Economic Development which sets forth the name of
17 the sponsor, a description of the project, and the area in
18 which the project is located, together with such supporting
19 information as is prescribed by rule. The proposal must also
20 contain a resolution from the local governmental unit in which
21 the project is located certifying that the project is
22 consistent with local plans and regulations.

23 b. Any person seeking to participate in this program
24 must submit an application for tax credit to the Office of
25 Tourism, Trade, and Economic Development which sets forth the
26 name of the sponsor, a description of the project, and the
27 type, value, and purpose of the contribution. The sponsor
28 shall verify the terms of the application and indicate its
29 receipt of the contribution, which verification must be in
30 writing and accompany the application for tax credit. The
31 person must submit a separate tax credit application to the

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1 office for each individual contribution that it makes to each
2 individual project.

3 c. Any person who has received notification from the
4 Office of Tourism, Trade, and Economic Development that a tax
5 credit has been approved must apply to the department to
6 receive the refund. Application must be made on the form
7 prescribed for claiming refunds of sales and use taxes and be
8 accompanied by a copy of the notification. A person may submit
9 only one application for refund to the department within any
10 12-month period.

11 4. Administration.--

12 a. The Office of Tourism, Trade, and Economic
13 Development may adopt rules pursuant to ss. 120.536(1) and
14 120.54 necessary to administer this paragraph, including rules
15 for the approval or disapproval of proposals by a person.

16 b. The decision of the Office of Tourism, Trade, and
17 Economic Development must be in writing, and, if approved, the
18 notification shall state the maximum credit allowable to the
19 person. Upon approval, the office shall transmit a copy of the
20 decision to the Department of Revenue.

21 c. The Office of Tourism, Trade, and Economic
22 Development shall periodically monitor all projects in a
23 manner consistent with available resources to ensure that
24 resources are used in accordance with this paragraph; however,
25 each project must be reviewed at least once every 2 years.

26 d. The Office of Tourism, Trade, and Economic
27 Development shall, in consultation with the Department of
28 Community Affairs, the Florida Housing Finance Corporation,
29 and the statewide and regional housing and financial
30 intermediaries, market the availability of the community
31 contribution tax credit program to community-based

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1 organizations.

2 5. Expiration.--This paragraph expires June 30, 2005;
3 however, any accrued credit carryover that is unused on that
4 date may be used until the expiration of the 3-year carryover
5 period for such credit.

6 Section 3. Paragraph (b) of subsection (2) of section
7 624.5105, Florida Statutes, is amended to read:

8 624.5105 Community contribution tax credit;
9 authorization; limitations; eligibility and application
10 requirements; administration; definitions; expiration.--

11 (2) ELIGIBILITY REQUIREMENTS.--

12 (b)1. Each community contribution must be reserved
13 exclusively for use in a project as defined in s.
14 220.03(1)(t).

15 2. Within the first 6 months of the fiscal year, no
16 more than 50 percent of the annual tax credits may be approved
17 for donations made to approved sponsors for projects that
18 provide housing for low-income or very-low-income households
19 as defined in s. 420.9071(19) and (28).

20
21 If less than 50 percent of the annual tax credits for
22 donations made to approved sponsors for projects other than
23 those for low-income and very-low-income households are
24 approved within the first 6 months of the fiscal year, the
25 Office of Tourism, Trade, and Economic Development may approve
26 the balance of tax credits for donations made to approved
27 sponsors for projects that provide housing for low-income or
28 very-low-income households.

29
30 (Redesignate subsequent sections.)

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 On page 1, line 3, delete that line

4

5 and insert:

6 credit; amending ss. 220.183, 212.08, and

7 624.5105, F.S.; requiring

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