

Bill No. CS for SB 2280

Barcode 343224

CHAMBER ACTION

Senate

House

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The Committee on Community Affairs (Wise) recommended the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

Section 1. Part XII of chapter 288, Florida Statutes, consisting of sections 288.991 and 288.992, is created to read:

288.991 New Markets Tax Credit Act.--This part may be cited as the "New Markets Tax Credit Act."

288.992 Qualified equity investments; tax credit.--

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

(a) "Adjusted purchase price" means the product of the amount paid at issuance for a qualified equity investment and a fraction of which the numerator is the dollar amount of qualified low-income community investments made in this state with the proceeds from the issuance of a qualified equity investment held by a qualified community development entity on the applicable credit allowance date and the denominator of

Bill No. CS for SB 2280

Barcode 343224

1 which is the total dollar amount of qualified low-income  
2 community investments made with the proceeds from the issuance  
3 of a qualified equity investment held by a qualified community  
4 development entity on the applicable credit allowance date.

5 (b) "Credit allowance date" means:

6 1. The first anniversary of the date a qualified  
7 equity investment is initially made; and

8 2. Each of the five subsequent anniversaries of such  
9 date.

10 (c) "Long-term debt security" means any debt

11 instrument issued by a qualified community development entity,  
12 at par value or a premium, having an original maturity date of  
13 at least 7 years following the date of its issuance, with no  
14 acceleration of repayment, amortization, or prepayment  
15 features before its original maturity date and having no  
16 distribution, payment, or interest features related to the  
17 profitability of the qualified community development entity or  
18 the performance of the entity's investment portfolio. This  
19 paragraph does not limit the holder's ability to accelerate  
20 payments on the debt instrument in situations in which the  
21 qualified community development entity has defaulted on  
22 covenants designed to ensure compliance with this section or  
23 s. 45D of the Internal Revenue Code of 1986, as amended.

24 (d) "Low-income community" means any population census  
25 tract within the state of Florida where:

26 1. The federal individual poverty rate is at least 20  
27 percent; or

28 2. In the case of a tract:

29 a. Not located within a metropolitan area, the median  
30 family income does not exceed 80 percent of the statewide  
31 median family income; or

Bill No. CS for SB 2280

Barcode 343224

1           b. Located within a metropolitan area, the median  
 2 family income does not exceed 80 percent of the greater of the  
 3 statewide median family income or the metropolitan area median  
 4 income.

5           (e) "Office" means the Office of Tourism, Trade, and  
 6 Economic Development.

7           (f) "Qualified active low-income community business"  
 8 has the same meaning as in s. 45D of the Internal Revenue Code  
 9 of 1986, as amended, but excludes any trade or business:

10           1. That derives or projects to derive 15 percent or  
 11 more of its annual revenue from the rental or sale of real  
 12 estate;

13           2. That consists predominantly of the development or  
 14 holding of intangibles for sale or license;

15           3. That consists of the operation of any private or  
 16 commercial golf course, country club, massage parlor, hot tub  
 17 facility, suntan facility, racetrack, or other facility used  
 18 for gambling, or any store the principal business of which is  
 19 the sale of alcoholic beverages for consumption off premises;  
 20 or

21           4. The principal activity of which is farming if the  
 22 sum of the aggregate unadjusted bases or, if greater, the fair  
 23 market value, of the assets owned by the business which are  
 24 used in such trade or business and the aggregate value of the  
 25 assets leased by the business used in such trade or business  
 26 exceeds \$500,000. For the purposes of this subparagraph, two  
 27 or more trades or businesses are treated as a single trade or  
 28 business.

29           (g) "Qualified community development entity" means any  
 30 entity that has been certified as a qualified community  
 31 development entity by the Community Development Financial

Bill No. CS for SB 2280

Barcode 343224

1 Institutions Fund of the United States Treasury Department  
 2 pursuant to s. 45D of the Internal Revenue Code of 1986, as  
 3 amended, the certification of which has not been revoked, and  
 4 that has entered into an allocation agreement with the  
 5 Community Development Financial Institutions Fund with respect  
 6 to tax credits authorized by section 45D of the Internal  
 7 Revenue Code of 1986, as amended.

8 (h) "Qualified equity investment" means any equity  
 9 investment or long-term debt security issued by a qualified  
 10 community development entity that:

11 1. Is acquired on or after July 1, 2007, at its  
 12 original issuance solely in exchange for cash;

13 2. Has at least 85 percent of its cash purchase price  
 14 used by the qualified community development entity to make  
 15 qualified low-income community investments within the 12-month  
 16 period beginning on the date the cash is paid by the taxpayer  
 17 to the entity; and

18 3. Is certified by the Office of Tourism, Trade, and  
 19 Economic Development as a qualified equity investment pursuant  
 20 to this section.

21 (i) "Qualified low-income community investment" means  
 22 any capital or equity investment in or loan to any qualified  
 23 active low-income community business made after July 1, 2007.  
 24 With respect to any one qualified active low-income community  
 25 business, the maximum amount of debt or equity issued by it on  
 26 a collective basis with all of its affiliates which may be  
 27 included in the calculation of any numerator described in  
 28 paragraph (a) shall be \$10 million, whether such investments  
 29 are issued to one or more qualified community development  
 30 entities.

31 (2) AUTHORIZATION OF TAX CREDITS.--

Bill No. CS for SB 2280

Barcode 343224

1       (a) A taxpayer holding a qualified equity investment  
 2 issued by a community development entity on the credit  
 3 allowance date of the investment is entitled to a tax credit  
 4 against the taxes imposed by s. 220.11 or s. 624.509 during  
 5 the tax year that includes the credit allowance date. The tax  
 6 credit amount is equal to 8.33 percent of the adjusted  
 7 purchase price of the qualified equity investment.

8       (b) The taxpayer's cash investment in the qualified  
 9 equity investment received by the community development entity  
 10 is treated as invested in a qualified low-income community  
 11 investment only to the extent that the cash is invested within  
 12 the 12-month period beginning on the date the cash is paid by  
 13 the taxpayer to the community development entity.

14       (c) A taxpayer may not redeem any portion of a tax  
 15 credit in a tax year in which the tax credit exceeds the  
 16 taxpayer's state tax liability for such tax year. Any amount  
 17 of the tax credit that the taxpayer is prohibited from  
 18 redeeming may be carried forward for use in a subsequent tax  
 19 year; however, all unused tax credits expire on December 31,  
 20 2028.

21       (d) A tax credit authorized under this section is not  
 22 refundable or transferable. However, if a qualified equity  
 23 investment is transferred, the tax credits for future credit  
 24 allowance dates, if any, transfer with the investment. Credit  
 25 amounts, including any carryover amounts, from credit  
 26 allowance dates prior to the date of transfer do not transfer  
 27 with the qualified equity investment. Tax credits earned by a  
 28 partnership, limited liability company, S corporation, or  
 29 other "pass-through" entity may be allocated to the partners,  
 30 members, or shareholders of such entity for their direct  
 31 redemption in accordance with the provisions of any agreement

Bill No. CS for SB 2280

Barcode 343224

1 among the partners, members, or shareholders.

2 (3) DESIGNATION OF QUALIFIED EQUITY INVESTMENTS.--

3 (a) Any qualified community development entity that  
4 seeks to have an equity investment or long-term debt security  
5 designated as a qualified equity investment and eligible for  
6 tax credits under this section shall apply to the office. The  
7 qualified community development entity shall submit an  
8 application on a form that the office prescribes by rule, and  
9 that includes, but need not be limited to:

10 1. The name, address, tax identification number of the  
11 entity, and evidence of the entity's certification as a  
12 qualified community development entity;

13 2. A copy of an allocation agreement executed by the  
14 entity and the Community Development Financial Institutions  
15 Fund with respect to the allocation of tax credits under s. 4D  
16 of the Internal Revenue Code of 1986, as amended;

17 3. A certificate, executed by an executive officer of  
18 the entity, attesting that such allocation agreement remains  
19 in effect and has not been revoked or cancelled by the  
20 Community Development Financial Institutions Fund;

21 4. A description of the proposed amount, structure,  
22 and purchaser of the equity investment or long-term debt  
23 security;

24 5. The name and tax identification number of any  
25 person or entity that will be eligible to redeem tax credits  
26 earned as a result of the issuance of the qualified equity  
27 investment;

28 6. Information regarding the proposed use of proceeds  
29 from the issuance of a qualified equity investment, which must  
30 include the types of qualified active low-income community  
31 businesses that will be funded and an estimate of the

Bill No. CS for SB 2280

Barcode 343224

1 percentage of qualified low-income community investments that  
2 will be made in Florida. In addition, the entity shall submit  
3 a nonrefundable application fee of \$1,000 to the office with  
4 each application submitted; and

5 7. A statement setting forth the entity's plans for  
6 the development of relationships with community-based  
7 organizations, local community development offices and  
8 organizations, and economic development organizations as well  
9 as any steps the entity has taken to implement these  
10 relationships.

11 (b) Within 30 days after receipt of a completed  
12 application containing all the information necessary for the  
13 office to certify a potential qualified equity investment,  
14 including payment of the application fee, the office shall  
15 grant or deny the application in full or in part. If the  
16 office denies any part of the application, it shall inform the  
17 qualified community development entity of the grounds for the  
18 denial. If the qualified community development entity provides  
19 any additional information required by the office or otherwise  
20 completes its application within 15 days after the notice of  
21 denial, the application shall be considered completed as of  
22 the original date of submission. If the qualified community  
23 development entity fails to provide such information or  
24 complete its application within the 15-day period, the  
25 application remains denied and must be resubmitted in full  
26 with a new submission date.

27 (c) If an application is deemed complete by the  
28 office, it shall certify the proposed equity investment or  
29 long-term debt security as a qualified equity investment and  
30 eligible for tax credits under this section. The office shall  
31 provide written notice of the certification to the qualified

Bill No. CS for SB 2280

Barcode 343224

1 community development entity and the Department of Revenue.  
 2 The written notice must include the maximum amount of tax  
 3 credits that may be earned as a result of the issuance of the  
 4 qualified equity investment, which shall be calculated with  
 5 reference to the percentage of qualified low-income community  
 6 investments estimated to be made in Florida by the qualified  
 7 community development entity in its application, and the names  
 8 of those taxpayers who are eligible to redeem the credits and  
 9 their respective credit amounts. The office shall certify  
 10 qualified equity investments in the order applications for  
 11 certification are received. Any applications received on the  
 12 same day shall be deemed to have been received simultaneously.

13 (d) Once the office has certified qualified equity  
 14 investments that, on a cumulative basis, are eligible for \$105  
 15 million in tax credits, of which no more than \$15 million may  
 16 be claimed per state fiscal year exclusive of tax credits  
 17 carried forward, and on or after June 30, 2014, the office may  
 18 not certify any more qualified equity investments. Tax credits  
 19 subject to appropriations in any year must be approved by the  
 20 Legislature. If a pending request for certification cannot be  
 21 fully certified under this section, the office shall certify  
 22 the portion that may be certified unless the qualified  
 23 community development entity elects to withdraw its request  
 24 rather than receive partial credits.

25 (e) Within 30 days after notice of certification from  
 26 the office, the qualified community development entity must  
 27 issue the qualified equity investment and receive cash in the  
 28 amount of the certified amount. The qualified community  
 29 development entity shall provide the office with evidence of  
 30 the receipt of the investment within 10 business days after  
 31 receipt. If the qualified community development entity does



Bill No. CS for SB 2280

Barcode 343224

1 not issue the qualified equity investment and receive the cash  
 2 investment within the 30 days following receipt of the  
 3 certification notice, the certification shall lapse and the  
 4 entity may not issue the qualified equity investment without  
 5 reapplying to the office for certification. Any certification  
 6 that lapses reverts back to the office and may be reissued in  
 7 accordance with the application process outlined in this  
 8 section.

9       (f) On the date that a qualified equity investment is  
 10 initially made, the purchaser must make an election to apply  
 11 the credit against taxes due under chapter 220 or chapter 624  
 12 or against a stated combination of the two taxes, and shall  
 13 provide notice of such election to the office and Department  
 14 of Revenue. The purchaser or subsequent holder of the  
 15 qualified equity investment or a member, partner, or  
 16 shareholder of the holder who is eligible to take the credit  
 17 may not alter this election without prior notice to and  
 18 approval from the Department of Revenue.

19       (4) ANNUAL CALCULATION OF CREDIT.--

20       (a) Within 30 days after each credit allowance date,  
 21 each qualified community development entity shall submit to  
 22 the office the following with respect to each qualified equity  
 23 investment issued by it:

24       1. A listing, certified by an executive officer of the  
 25 qualified community development entity, of all qualified  
 26 low-income community investments made by the qualified  
 27 community development entity with the proceeds of a qualified  
 28 equity investment and held as of the credit allowance date,  
 29 which must include the name of each qualified active  
 30 low-income business funded, the location of the principal  
 31 office of each such business, the type of business, the amount

Bill No. CS for SB 2280

Barcode 343224

1 of the qualified low-income community investment in each such  
2 business, and the total of qualified low-income community  
3 investments by all community development entities in each such  
4 business;

5 2. Bank records, wire transfer records, or other  
6 similar documents that reflect the investments listed above;

7 3. A calculation, certified by the chief financial or  
8 accounting officer of the qualified community development  
9 entity, of the amount of qualified low-income community  
10 investments in Florida made with the proceeds of the issuance  
11 of the qualified equity investment held by the entity as of  
12 the credit allowance date, and the total qualified low-income  
13 community investments made with the proceeds of the issuance  
14 of the qualified equity investment held by the entity on the  
15 credit allowance date. In making this calculation, an  
16 investment in Florida shall be deemed to be held by a  
17 qualified community development entity even if the investment  
18 has been sold or repaid if the entity reinvests an amount  
19 equal to the capital returned to or recovered from the  
20 original investment, exclusive of any profits realized, in  
21 another qualified low-income community investment in Florida  
22 within 12 months after receipt of such capital. A qualified  
23 community development entity is not required to reinvest  
24 capital returned from qualified low-income community  
25 investments after the sixth anniversary of the issuance of the  
26 qualified equity investment for which the proceeds were used  
27 to make the qualified low-income community investment. The  
28 qualified low-income community investment shall be deemed to  
29 be held by the qualified community development entity through  
30 the seventh anniversary of the qualified equity investment's  
31 issuance;

Bill No. CS for SB 2280

Barcode 343224

1           4. An attestation from the qualified community  
 2 development entity's chief financial or accounting officer  
 3 that no redemption or principal payment was made with respect  
 4 to the qualified equity investment since the previous credit  
 5 allowance date; and

6           5. Any information with respect to a recapture of the  
 7 federal tax credits available with respect to a qualified  
 8 equity investment that the qualified community development  
 9 entity has received since the prior credit allowance date.

10           (b) Within 20 days after receipt of the information  
 11 listed in paragraph (a), the office shall certify in writing  
 12 to the qualified community development entity and to the  
 13 Department of Revenue the amount of credit that is eligible  
 14 for use for the credit allowance date. The notice must include  
 15 a listing of those taxpayers that are eligible to redeem the  
 16 tax credit for such credit allowance date.

17           (5) AUDIT AND RECAPTURE.--

18           (a) A qualified community development entity that  
 19 receives an annual allocation of tax credits in an amount  
 20 equal to or in excess of \$500,000 shall be treated as a  
 21 recipient pursuant to s. 215.97(2) and required to participate  
 22 in a state single audit pursuant to s. 215.97. In addition to  
 23 the required financial reporting package, the audit must  
 24 attest to the qualified community development entity's  
 25 adherence to the performance conditions enumerated in this  
 26 section as they relate to the potential for recapture of the  
 27 tax credit required by subsection (b). The office shall be  
 28 deemed the state awarding agency and state coordinating agency  
 29 pursuant to s. 215.97. Taxpayers that are not qualified  
 30 community development entities shall not be treated as  
 31 subrecipients pursuant to s. 215.97(2) or otherwise required

Bill No. CS for SB 2280

Barcode 343224

1 to participate in the state single audit program since such  
2 persons do not control adherence to the performance standards  
3 of this program.

4 (b) The office shall order recapture of any tax credit  
5 allowed under this section with respect to a qualified equity  
6 investment if:

7 1. Any amount of the federal tax credit available that  
8 is eligible for a tax credit under this section is recaptured  
9 under s. 45D of the Internal Revenue Code of 1986, as amended;

10 2. The qualified community development entity redeems  
11 or makes any principal repayment before the seventh  
12 anniversary of the issuance of the qualified equity  
13 investment;

14 3. The qualified community development entity fails to  
15 maintain at least 85 percent of the proceeds of the qualified  
16 equity investment in qualified low-income community  
17 investments at any time before the seventh anniversary of the  
18 issuance of the qualified equity investment and remains in  
19 compliance with subparagraph (1)(g)2.;

20 4. The qualified community development entity fails to  
21 provide to the office and the Department of Revenue any of the  
22 information or reports required by this section; or

23 5. The office determines as a result of a state single  
24 audit or an examination by the office that a taxpayer received  
25 tax credits pursuant to this section to which the taxpayer was  
26 not entitled.

27 (c) The office shall provide notice to the qualified  
28 community development entity and to the Department of Revenue  
29 of any proposed recapture of tax credits pursuant to this  
30 section. The entity shall have 90 days to cure any deficiency  
31 indicated in the office's original recapture notice and avoid

Bill No. CS for SB 2280

Barcode 343224

1 such recapture. If the entity fails or is unable to cure such  
 2 deficiency within the 90-day period, the office shall provide  
 3 the entity and the Department of Revenue with a final order of  
 4 recapture. The qualified community development entity shall be  
 5 responsible for providing copies of the final order of  
 6 recapture to persons owning the tax credits at issue.

7 (d) Any tax credit for which a final recapture order  
 8 has been issued shall be recaptured by the Department of  
 9 Revenue from the taxpayer who claimed the tax credit on a tax  
 10 return, or in the case of multiple succeeding entities, in the  
 11 order of tax-credit succession, and such funds shall be paid  
 12 into the General Revenue Fund. Such action by the Department  
 13 of Revenue does not constitute an audit or otherwise alter the  
 14 Department of Revenue's ability to audit the taxpayer.

15 (6) ANNUAL REPORTING.--

16 (a) Within 120 days after the end of a calendar year  
 17 that includes a credit allowance date, each community  
 18 development entity that has an equity investment or long-term  
 19 debt security certified as a qualified equity investment under  
 20 this section shall provide the office with:

21 1. The entity's annual financial statements for the  
 22 immediately preceding calendar year, audited by an independent  
 23 certified public accountant;

24 2. Using the North American Industry Classification  
 25 System Code, the types of businesses funded, the counties  
 26 where the qualified active low-income community businesses are  
 27 located, the dollars invested, and the number of jobs created  
 28 and retained by qualified active low-income businesses funded  
 29 in a form satisfactory to the office; and

30 3. A statement detailing a description of the  
 31 relationships that the entity has established with

Bill No. CS for SB 2280

Barcode 343224

1 community-based organizations, local community development  
 2 offices and organizations, and economic development  
 3 organizations, and a summary of the outcomes resulting from  
 4 those relationships.

5 (b) The office shall file an annual report of all  
 6 qualified low-income community investments made in this state  
 7 with the proceeds of qualified equity investments which  
 8 includes relevant statistics from the North American Industry  
 9 Classification System Code, the county or counties where the  
 10 qualified low-income community investments are located, the  
 11 dollars invested, the number of jobs created and retained by  
 12 business in which qualified low-income community investments  
 13 have been made, and the value of applicable state tax credits  
 14 claimed for the latest year for which such information is  
 15 available. The office shall submit a copy to the Governor, the  
 16 President of the Senate, and the Speaker of the House of  
 17 Representatives each July 1, beginning in 2009, and may post  
 18 the annual report on the office's website.

19 (7) EXAMINATION.--

20 (a) The office may conduct examinations to verify that  
 21 tax credits under this section have been received and applied  
 22 according to the requirements of this section and to verify  
 23 information provided by qualified community development  
 24 entities to the office.

25 (b) The office may revoke or modify any written  
 26 decision qualifying, certifying, or otherwise granting  
 27 eligibility for tax credits under this section if it is  
 28 discovered that the qualified community development entity  
 29 submitted any false statement, representation, or  
 30 certification in any application, record, report, plan, or  
 31 other document filed in an attempt to receive tax credits

Bill No. CS for SB 2280

Barcode 343224

1 under this section.

2       (c) Any qualified community development entity that  
3 submits information under this section which includes  
4 fraudulent information is liable for reimbursement of the  
5 reasonable costs and fees associated with the review,  
6 processing, investigation, and prosecution of the fraudulent  
7 claim plus a penalty in an amount double the credit amount  
8 certified and claimed by the holders of the entity's qualified  
9 equity investments, which penalty is in addition to any  
10 criminal penalty to which the taxpayer is liable for the same  
11 acts.

12       (8) APPLICATION.--This section does not apply for any  
13 fiscal year unless funds to offset the tax credits to be  
14 allocated by the Department of Revenue have been appropriated.

15       (9) RULEMAKING AUTHORITY.--

16           (a) The office may adopt rules pursuant to ss.  
17 120.536(1) and 120.54 to administer this section.

18           (b) The Department of Revenue may adopt rules pursuant  
19 to ss. 120.536(1) and 120.54 to administer this section.

20       (10) EXPIRATION.--This section expires December 31,  
21 2028.

22       Section 2. Subsection (8) of section 220.02, Florida  
23 Statutes, is amended to read:

24       220.02 Legislative intent.--

25       (8) It is the intent of the Legislature that credits  
26 against either the corporate income tax or the franchise tax  
27 be applied in the following order: those enumerated in s.  
28 631.828, those enumerated in s. 220.191, those enumerated in  
29 s. 220.181, those enumerated in s. 220.183, those enumerated  
30 in s. 220.182, those enumerated in s. 220.1895, those  
31 enumerated in s. 221.02, those enumerated in s. 220.184, those

Bill No. CS for SB 2280

Barcode 343224

1 enumerated in s. 220.186, those enumerated in s. 220.1845,  
 2 those enumerated in s. 220.19, those enumerated in s. 220.185,  
 3 those enumerated in s. 220.187, those enumerated in s.  
 4 220.192, ~~and~~ those enumerated in s. 220.193, and those  
 5 enumerated in s. 288.992.

6 Section 3. Paragraph (a) of subsection (1) of section  
 7 220.13, Florida Statutes, is amended to read:

8 220.13 "Adjusted federal income" defined.--

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

14 (a) Additions.--There shall be added to such taxable  
 15 income:

16 1. The amount of any tax upon or measured by income,  
 17 excluding taxes based on gross receipts or revenues, paid or  
 18 accrued as a liability to the District of Columbia or any  
 19 state of the United States which is deductible from gross  
 20 income in the computation of taxable income for the taxable  
 21 year.

22 2. The amount of interest which is excluded from  
 23 taxable income under s. 103(a) of the Internal Revenue Code or  
 24 any other federal law, less the associated expenses disallowed  
 25 in the computation of taxable income under s. 265 of the  
 26 Internal Revenue Code or any other law, excluding 60 percent  
 27 of any amounts included in alternative minimum taxable income,  
 28 as defined in s. 55(b)(2) of the Internal Revenue Code, if the  
 29 taxpayer pays tax under s. 220.11(3).

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



Bill No. CS for SB 2280

Barcode 343224

1 the net long-term capital gain for the taxable year over the  
2 amount of the capital gain dividends attributable to the  
3 taxable year.

4 4. That portion of the wages or salaries paid or  
5 incurred for the taxable year which is equal to the amount of  
6 the credit allowable for the taxable year under s. 220.181.  
7 This subparagraph shall expire on the date specified in s.  
8 290.016 for the expiration of the Florida Enterprise Zone Act.

9 5. That portion of the ad valorem school taxes paid or  
10 incurred for the taxable year which is equal to the amount of  
11 the credit allowable for the taxable year under s. 220.182.  
12 This subparagraph shall expire on the date specified in s.  
13 290.016 for the expiration of the Florida Enterprise Zone Act.

14 6. The amount of emergency excise tax paid or accrued  
15 as a liability to this state under chapter 221 which tax is  
16 deductible from gross income in the computation of taxable  
17 income for the taxable year.

18 7. That portion of assessments to fund a guaranty  
19 association incurred for the taxable year which is equal to  
20 the amount of the credit allowable for the taxable year.

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

26 9. The amount taken as a credit for the taxable year  
27 under s. 220.1895.

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

31 11. The amount taken as a credit for the taxable year

Bill No. CS for SB 2280

Barcode 343224

1 under s. 220.187.

2 12. The amount taken as a credit for the taxable year  
3 under s. 220.192.

4 13. The amount taken as a credit for the taxable year  
5 under s. 220.193.

6 14. Any portion of a qualified equity investment, as  
7 defined in s. 288.993, which has been claimed as a deduction  
8 by the taxpayer for the purpose of calculating the taxpayer's  
9 net income.

10 Section 4. Subsection (19) is added to section  
11 213.053, Florida Statutes, to read:

12 213.053 Confidentiality and information sharing.--

13 (19) Information relative to tax credits taken by a  
14 taxpayer under s. 288.991 may be disclosed to the Office of  
15 Tourism, Trade, and Economic Development or its employees or  
16 agents that have been identified in writing by the office to  
17 the department for use in performance of their official  
18 duties. All information so obtained by the office is subject  
19 to the same confidentiality as imposed on the department.

20 Section 5. This act shall take effect July 1, 2007,  
21 and applies to tax years ending after December 31, 2007.

22  
23

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

25 And the title is amended as follows:

26 Delete everything before the enacting clause

27

28 and insert:

29 A bill to be entitled  
30 An act relating to corporate income tax  
31 credits; creating part XII of ch. 288, F.S.,

Bill No. CS for SB 2280

Barcode 343224

1 consisting of ss. 288.991 and 288.992, F.S.;

2 providing for the qualification and sale of

3 investments that provide tax credits; providing

4 definitions; providing that a taxpayer who

5 holds a qualified equity investment in a

6 qualified low-income business on the credit

7 allowance date of the investment is entitled to

8 a nonrefundable, nontransferable tax credit for

9 the taxable year in which the credit allowance

10 date falls; providing for calculating the

11 amount of the tax credit; limiting the amount

12 of the tax credit that may be redeemed in a

13 fiscal year; authorizing a taxpayer to carry

14 over any amount of the tax credit that the

15 taxpayer is prohibited from redeeming in a

16 taxable year to any subsequent taxable year;

17 providing for the redemption of tax credits

18 earned by certain business entities and by the

19 partners, members, or shareholders of those

20 entities; authorizing the Office of Tourism,

21 Trade, and Economic Development to qualify

22 equity investments as eligible for tax credits;

23 providing an application process; requiring a

24 fee; providing for the certification of the

25 investment; providing for notice to the

26 applicant and the Department of Revenue;

27 providing for a limit on the amount of

28 investments the office may certify; requiring

29 the certified equity investments to be issued

30 within a certain time frame; requiring the

31 taxpayer to elect how the credit will be

Bill No. CS for SB 2280

Barcode 343224

1 applied; providing how the amount of tax  
2 credits available will be calculated; requiring  
3 the calculations to be certified and  
4 accompanied by audited financial statements and  
5 notarized affidavits; requiring the department  
6 to recapture tax credits from certain taxpayers  
7 under certain circumstances; requiring notice;  
8 requiring community development entities that  
9 have certified investments to report certain  
10 information to the department; requiring the  
11 department to file annual reports on low-income  
12 community investments made in this state;  
13 authorizing the department to conduct  
14 examinations to verify receipt and application  
15 of tax credits; authorizing the department to  
16 pursue recovery of certain funds; authorizing  
17 the department to revoke or modify certain  
18 decisions relating to eligibility for tax  
19 credits under certain circumstances; providing  
20 for applicant liability for costs and fees  
21 relating to investigations of fraudulent  
22 claims; providing for taxpayer liability for  
23 reimbursement of fraudulently claimed tax  
24 credits; providing a penalty; providing for  
25 rules; providing for future repeal; amending s.  
26 220.02, F.S.; revising legislative intent with  
27 respect to the order of tax credits to conform;  
28 amending s. 220.13, F.S.; revising a  
29 definition; amending s. 213.053, F.S.;

30 authorizing the Department of Revenue to share  
31 confidential taxpayer information with the

Bill No. CS for SB 2280

Barcode 343224

1 Office of Tourism, Trade, and Economic  
2 Development; providing an effective date.  
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