

By Senator Latvala

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1 A bill to be entitled
2 An act relating to stimulating small business growth;
3 authorizing a tax credit of a specified amount for
4 application against the corporate income tax for
5 certain corporations engaging in contractual business
6 relationships with certain small businesses;
7 specifying eligibility requirements; providing
8 limitations on the use of the tax credit; authorizing
9 the Office of Tourism, Trade, and Economic Development
10 and the Department of Revenue to adopt rules;
11 providing an effective date.

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

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15 Section 1. Corporate tax credit for corporations
16 contracting with small businesses.—

17 (1) A corporation, not including a financial organization
18 as defined in s. 220.15(6), Florida Statutes, or a bank, savings
19 association, international banking facility, or banking
20 organization as defined in s. 220.62, Florida Statutes, doing
21 business within this state that employs 300 full-time employees
22 in this state and executes a business contract for the provision
23 of goods or services with a small business that employs fewer
24 than 25 employees is eligible for a tax credit against corporate
25 income taxes imposed under s. 220.11, Florida Statutes, if:

26 (a) The corporation and the small business were not engaged
27 in a contractual business relationship before July 1, 2011.

28 (b) The terms of the contract require the corporation to
29 pay at least \$100,000 to the small business for goods or

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30 services within 1 year after the date of execution of the
31 contract.

32 (c) The small business certifies within 60 days after
33 execution of the contract to the Office of Tourism, Trade, and
34 Economic Development and the Department of Revenue that for the
35 purpose of meeting its contractual obligations, it is necessary
36 to hire and maintain the employment of at least two additional
37 employees until completion of such contractual obligations.

38 (d) The corporation notifies the Office of Tourism, Trade,
39 and Economic Development and the Department of Revenue within 60
40 days after execution of the contract that it intends to claim
41 the credit authorized under this section against its corporate
42 income tax liability under s. 220.11, Florida Statutes.

43 (2) The corporation may apply 10 percent of the payments
44 made to the small business under the terms of the contract
45 during the taxable year against its corporate income tax
46 liability under s. 220.11, Florida Statutes.

47 (3) A corporation may not claim a tax credit in excess of
48 its corporate income tax liability under s. 220.11, Florida
49 Statutes. If the credit granted under this section is not fully
50 used in any single year because of insufficient tax liability on
51 the part of the corporation, the unused amount may not be
52 carried forward or backward.

53 (4) A tax credit earned under this section may not be sold
54 or transferred.

55 (5) The Office of Tourism, Trade, and Economic Development
56 and the Department of Revenue may adopt rules to administer this
57 section.

58 Section 2. This act shall take effect July 1, 2011.