

1                                   A bill to be entitled  
 2           An act relating to the New Markets Development  
 3           Program; amending s. 288.9914, F.S.; revising limits  
 4           on tax credits that may be claimed by qualified  
 5           community development entities under the program;  
 6           amending s. 288.9915, F.S.; revising restrictions on a  
 7           qualified community development entity's making of  
 8           cash interest payments on certain long-term debt  
 9           securities; providing an effective date.

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

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13           Section 1. Paragraph (c) of subsection (3) of section  
 14 288.9914, Florida Statutes, is amended to read:

15           288.9914 Certification of qualified investments;  
 16 investment issuance reporting.—

17           (3) REVIEW.—

18           (c) The department may not approve a cumulative amount of  
 19 qualified investments that may result in the claim of more than  
 20 \$195 ~~\$97.5~~ million in tax credits during the existence of the  
 21 program or more than \$40 ~~\$20~~ million in tax credits in a single  
 22 state fiscal year. However, the potential for a taxpayer to  
 23 carry forward an unused tax credit may not be considered in  
 24 calculating the annual limit.

25           Section 2. Subsection (1) of section 288.9915, Florida  
 26 Statutes, is amended to read:

27           288.9915 Use of proceeds from qualified investments;  
 28 recordkeeping.—

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29           (1) For the period from the issuance of the qualified  
30 investment to the 7th anniversary of such issuance, a qualified  
31 community development entity may ~~not~~ make cash interest payments  
32 on a long-term debt security that is a qualified investment, but  
33 not in excess of the entity's cumulative operating income as of  
34 the date of the cash interest payment. For purposes of  
35 calculating operating income under this section, the interest  
36 expense on the security is disregarded ~~for 6 years following the~~  
37 ~~issuance of the security.~~

38           Section 3. This act shall take effect July 1, 2012.