A bill to be entitled
An act relating to the Florida Main Street Program and
historic preservation tax credits; creating s.
220.197, F.S.; providing a short title; defining
terms; specifying eligibility requirements for
receiving specified tax credits for taxpayers that
rehabilitate certified historic structures; specifying
requirements for claiming or transferring specified
tax credits; specifying the amount of tax credits;
authorizing the carryforward, sale, and transfer of
tax credits; providing the Department of Revenue audit
and examination powers for specified purposes related
to certified rehabilitation expenses; requiring the
return of forfeited tax credits under certain
circumstances; providing penalties; requiring the
department to provide specified annual reports to the
Legislature; providing duties of the department;
authorizing the department to adopt rules; providing
an effective date.

WHEREAS, historic revitalization creates highly paid local
construction jobs, and
WHEREAS, historic rehabilitation increases the value of
buildings and results in a growing state and local tax base, and
WHEREAS, historic revitalization boosts heritage tourism
and creates thriving downtowns that are attractive to main
street businesses, and
WHEREAS, reusing historic buildings creates affordable
spaces for small business incubation, and

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WHEREAS, repurposing historic buildings saves resources and activates vacant spaces, and
WHEREAS, historic rehabilitation projects leverage significant private investment, and
WHEREAS, leveraging state tax incentives increases the effectiveness of federal Historic Preservation Tax Incentives and the Opportunity Zones Program to encourage the historic preservation of existing buildings, and
WHEREAS, an increase in rehabilitation activity occurs when a state incentive is combined with federal Historic Preservation Tax Incentives, and
WHEREAS, many historic buildings in the state need safety upgrades and other improvements that require both public and private investment to return these buildings as assets of their local communities, NOW, THEREFORE,

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

Section 1. Section 220.197, Florida Statutes, is created to read:

220.197 The Main Street Historic Tourism and Revitalization Act; tax credits; reports.—

(1) SHORT TITLE.—This act may be cited as the "Main Street Historic Tourism and Revitalization Act."

(2) DEFINITIONS.—As used in this section, the term:
(a) "Accredited Main Street Program" means an active Florida Main Street Program or the Orlando Main Streets program, provided that such program meets the Main Street America accreditation standards. An Accredited Main Street Program must:
1. Have broad-based community support for the commercial district revitalization process with strong support from the public and private sectors.

2. Have a developed vision and mission statement relevant to community conditions and to Main Street America’s organizational stage.

3. Have a comprehensive Main Street America work plan.

4. Possess a historic preservation ethic.

5. Have an active board of directors and committees.

6. Have an adequate operating budget.

7. Have a paid professional program manager.

8. Conduct a program of ongoing training for staff and volunteers.


10. Be a current member of Main Street America.

(b) “Certified historic structure” means a building and its structural components as defined in 36 C.F.R. s. 67.2 which is of a character subject to the allowance for depreciation provided in s. 167 of the Internal Revenue Code of 1986, as amended, and which is:

1. Individually listed in the National Register of Historic Places; or

2. Located within a registered historic district and certified by the United States Secretary of the Interior as being of historic significance to the registered historic district as set forth in 36 C.F.R. s. 67.2.

(c) “Certified rehabilitation” means the rehabilitation of a certified historic structure that the United States Secretary of the Interior has certified to the United States Secretary of
the Treasury as being consistent with the historic character of
the certified historic structure and, if applicable, consistent
with the registered historic district in which the certified
historic structure is located as set forth in 36 C.F.R. s. 67.2.
(d) “Division” means the Division of Historical Resources
of the Department of State.
(e) “Florida Main Street Program” means a statewide
historic preservation-based downtown revitalization assistance
program created, maintained, and administered by the division
under s. 267.031(5).
(f) “Local program area” means the specific geographic area
in which an Accredited Main Street Program is conducted as
approved and maintained by the division or in which the Orlando
Main Streets program is conducted.
(g) “Main Street America” means a national network of
grassroots organizations revitalizing historic downtown areas
under the leadership of the National Main Street Center, Inc., a
subsidiary of the National Trust for Historic Preservation.
(h) “National Register of Historic Places” means the list
of historic properties significant in American history,
architecture, archeology, engineering, and culture maintained by
the United States Secretary of the Interior as authorized in 54
U.S.C. s. 3021.
(i) “Orlando Main Streets” means a historic preservation-
based district revitalization program administered by the City
of Orlando.
(j) “Qualified expenses” means qualified rehabilitation
expenditures as defined in 26 U.S.C. s. 47(c)(2) and structural
components as defined in 26 C.F.R. s. 1.48-1(e)(2) at the time
of project certification by the United States Secretary of the Interior and the United States Internal Revenue Service.

(k) “Registered historic district” means a district listed in the National Register of Historic Places or a district:

1. Designated under general law or local ordinance and certified by the United States Secretary of the Interior as containing criteria that will substantially achieve the purposes of preserving and rehabilitating buildings of historic significance to the district; and

2. Certified by the United States Secretary of the Interior as meeting substantially all of the requirements for listing a district in the National Register of Historic Places.

(3) ELIGIBILITY FOR TAX CREDIT.—To claim and receive a tax credit under this section, a taxpayer must first apply to the department for a tax credit for qualified expenses in the amount and under the conditions and limitations provided in this section against the tax due for a taxable year under this chapter and must document that:

(a) The rehabilitation is a certified rehabilitation.

(b) The structure is a certified historic structure, is income-producing, is located within the state, and was rehabilitated and placed into service on or after July 1, 2022.

(c) The taxpayer had an ownership interest in the certified historic structure in the year during which the certified historic structure was placed into service after the certified rehabilitation was completed.

(d) The total amount of qualified expenses incurred in rehabilitating the certified historic structure exceeded $5,000.

(4) TAX CREDIT FILING REQUIREMENTS.—Before claiming or
transferring a tax credit under this section, the taxpayer must provide the department with the following information:

(a) An official certificate of eligibility from the division signed by the State Historic Preservation Officer or the Deputy State Historic Preservation Officer attesting that the project has been approved by the National Park Service and confirming whether the project is or is not located within a Main Street local program area.

(b) National Park Service Form 10-168c (Rev. 2019), titled “Historic Preservation Certification Application–Part 3–Request for Certification of Completed Work,” signed by the National Park Service attesting that the completed rehabilitation meets the United States Secretary of the Interior’s Standards for Rehabilitation and is consistent with the historic character of the property and, if applicable, the district in which the completed rehabilitation is located. The form may be obtained through the National Park Service.

(c) An identification of the dates during which the certified historic structure was rehabilitated, the date the certified historic structure was first placed into service after the certified rehabilitation was completed, and evidence that the certified historic structure was placed into service after the certified rehabilitation was completed.

(d) A list of total qualified expenses incurred by the taxpayer in rehabilitating the certified historic structure. For certified rehabilitations with qualified expenses that exceeded $750,000, the taxpayer must submit an audited cost report issued by a certified public accountant that itemizes the qualified expenses incurred in rehabilitating the certified historic
An attestation of the total qualified expenses incurred by the taxpayer in rehabilitating the certified historic structure.

(f) A completed Form F-1120, titled “Florida Corporate Income/Franchise Tax Return,” or other appropriate tax form issued by the department for insurance premium tax reporting.

(g) The information required to be reported by the department in subsection (9) to enable the department to compile its annual report.

(5) AMOUNT OF TAX CREDIT.—The total tax credit claimed annually may not exceed the amount of tax due after any other applicable tax credits and may not exceed the following:

(a) Twenty percent of the total qualified expenses incurred in rehabilitating a certified historic structure that has been approved by the National Park Service to receive the federal historic rehabilitation tax credit; or

(b) Thirty percent of the total qualified expenses incurred in rehabilitating a certified historic structure that has been approved by the National Park Service to receive the federal historic rehabilitation tax credit and that is located within a local program area of an Accredited Main Street Program.

The tax credit may be used to offset the corporate income tax imposed in s. 220.11 and the insurance premium tax imposed in s. 624.509.

(6) CARRYFORWARD OF TAX CREDIT.—

(a) If a taxpayer is eligible for a tax credit that exceeds taxes owed, the taxpayer may carry the unused tax credit forward
(b) A carryforward is considered the remaining portion of a tax credit that cannot be claimed in the current tax year.

(7) SALE OR TRANSFER OF TAX CREDIT.—

(a) A taxpayer that incurs qualified expenses may sell or transfer all or part of the tax credit that may otherwise be claimed to another taxpayer.

(b) A taxpayer to which all or part of the tax credit is sold or transferred may sell or transfer all or part of the tax credit that may otherwise be claimed to another taxpayer.

(c) A taxpayer that sells or transfers a tax credit to another taxpayer must provide a copy of the certificate of eligibility together with the audited cost report to the purchaser or transferee.

(d) Qualified expenses may only be counted once in determining the amount of an available tax credit, and more than one taxpayer may not claim a tax credit for the same qualified expenses.

(e) There is no limit on the total number of transactions for the sale or transfer of all or part of a tax credit.

(f)1. A taxpayer that sells or transfers a tax credit under this subsection and the purchaser or transferee shall jointly submit written notice of the sale or transfer to the department on a form adopted by the department no later than the 30th day after the date of the sale or transfer. The notice must include all of the following:

a. The date of the sale or transfer.

b. The amount of the tax credit sold or transferred.

c. The name and federal tax identification number of the
taxpayer that sold or transferred the tax credit and the
purchaser or transferee.

d. The amount of the tax credit owed by the taxpayer before
the sale or transfer and the amount the selling or transferring
taxpayer retained, if any, after the sale or transfer.

2. The sale or transfer of a tax credit under this
subsection does not extend the period for which a tax credit may
be carried forward and does not increase the total amount of the
tax credit that may be claimed.

3. If a taxpayer claims a tax credit for qualified
expenses, another taxpayer may not use the same expenses as the
basis for claiming a tax credit.

4. Notwithstanding the requirements of this subsection, a
tax credit earned by, purchased by, or transferred to a
partnership, limited liability company, S corporation, or other
pass-through taxpayer may be allocated to the partners, members,
or shareholders of that taxpayer and claimed under this section
in accordance with any agreement among the partners, members, or
shareholders and without regard to the ownership interest of the
partners, members, or shareholders in the rehabilitated
certified historic structure.

(g) If the tax credit is reduced due to a determination,
examination, or audit by the department, the tax deficiency
shall be recovered from the taxpayer that sold or transferred
the tax credit or the purchaser or transferee that claimed the
tax credit up to the amount of the tax credit taken.

(h) Any subsequent deficiencies shall be assessed against
the purchaser or transferee that claimed the tax credit or, in
the case of multiple succeeding entities, in the order of tax

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credit succession.

(8) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX CREDITS; FRAUDULENT CLAIMS.—

(a) The department may perform any additional financial and technical audits and examinations, including examining the accounts, books, or records of the tax credit applicant, to verify the legitimacy of the qualified expenses included in a tax credit return and to ensure compliance with this section.

(b) It is grounds for forfeiture of previously claimed and received tax credits if the department determines, as a result of an audit or information received from the division or the United States Department of the Interior, that a taxpayer received a tax credit pursuant to this section to which the taxpayer was not entitled. In the case of fraud, the taxpayer may not claim any future tax credits under this section.

(c) The taxpayer must return forfeited tax credits to the department and such funds shall be paid into the General Revenue Fund.

(d) The taxpayer shall file with the department an amended tax return or such other report as the department prescribes and shall pay any required tax within 60 days after the taxpayer receives notification from the United States Internal Revenue Service that a previously approved tax credit has been revoked or modified, if uncontested, or within 60 days after a final order is issued following proceedings involving a contested revocation or modification order.

(e) A notice of deficiency may be issued by the department at any time within 5 years after the date on which the taxpayer receives notification from the United States Internal Revenue Service.
Service that a previously approved tax credit has been revoked or modified.

(f) If a taxpayer fails to notify the department of any change in its tax credit claimed, a notice of deficiency may be issued at any time. In either case, the amount of any proposed assessment set forth in such notice of deficiency is limited to the amount of any deficiency resulting under this section from the precomputation of the taxpayer’s tax for the taxable year.

(g) A taxpayer that fails to report and timely pay any tax due as a result of the forfeiture of its tax credit violates this section and is subject to applicable penalties and interest.

(9) ANNUAL REPORTS.—Each year, based on the applications submitted and approved, the department must issue a report to the President of the Senate and the Speaker of the House of Representatives that identifies, in the aggregate, all of the following:

(a) The number of employees hired during construction phases.

(b) The use of each newly rehabilitated building and the expected number of employees hired.

(c) The number of affordable housing units created or preserved.

(d) The property values before and after the certified rehabilitations.

(10) DEPARTMENT DUTIES.—The department shall:

(a) Establish any necessary forms required to claim a tax credit under this section.

(b) Provide administrative guidelines and procedures
required to administer this section, including rules
establishing an entitlement to and sale or transfer of a tax
credit under this section.

   (c) Provide examination and audit procedures required to
administer this section.

   (11) RULES.—The department may adopt rules to administer
this section.

Section 2. This act shall take effect July 1, 2022.