

1                                   A bill to be entitled  
2       An act relating to economic development; amending s.  
3       210.20, F.S.; revising the payment and distribution of  
4       funds in the Cigarette Tax Collection Trust Fund;  
5       providing specified purposes for the use of funds  
6       appropriated out of the trust fund; amending s.  
7       210.201, F.S.; authorizing moneys transferred to the  
8       Board of Directors of the H. Lee Moffitt Cancer Center  
9       and Research Institute to be used to secure financing  
10      to pay costs for specified purposes at certain  
11      facilities and other properties; amending s. 212.08,  
12      F.S.; providing an exemption from the tax on sales,  
13      use, and other transactions for electricity used by  
14      packinghouses; defining the term "packinghouse";  
15      expanding exemptions from the sales and use tax on  
16      labor, parts, and equipment used in repairs of certain  
17      aircraft; exempting certain items used to manufacture,  
18      produce, or modify aircraft and gas turbine engines and  
19      parts from the tax on sales, use, and other  
20      transactions; revising a condition for an exemption for  
21      machinery and equipment; amending s. 212.097, F.S.;  
22      revising the eligibility criteria for tax credits  
23      under the Urban High-Crime Area Job Tax Credit  
24      Program; amending s. 220.14, F.S.; increasing the  
25      amount of income that is exempt from taxation;  
26      amending s. 220.63, F.S.; increasing the amount of  
27      income that is exempt from the franchise tax imposed  
28      on banks and savings associations; amending s.

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29 | 288.1254, F.S.; revising eligibility criteria for  
30 | certain tax credits authorized under the entertainment  
31 | industry financial incentive program; amending s.  
32 | 288.9914, F.S.; revising limits on tax credits that  
33 | may be claimed by qualified community development  
34 | entities under the New Markets Development Program;  
35 | amending s. 288.9915, F.S.; revising restrictions on a  
36 | qualified community development entity making cash  
37 | interest payments on certain long-term debt  
38 | securities; creating s. 290.00729, F.S.; authorizing  
39 | Charlotte County to apply to the Department of  
40 | Economic Opportunity for designation of an enterprise  
41 | zone; providing application requirements; authorizing  
42 | the Department of Economic Opportunity to designate an  
43 | enterprise zone in Charlotte County; requiring that  
44 | the Department of Economic Opportunity establish the  
45 | initial effective date for the enterprise zone;  
46 | creating s. 290.00731, F.S.; authorizing Citrus County  
47 | to apply to the Department of Economic Opportunity for  
48 | designation of an enterprise zone; providing an  
49 | application deadline and requirements; authorizing the  
50 | Department of Economic Opportunity to designate an  
51 | enterprise zone in Citrus County; requiring the  
52 | Department of Economic Opportunity to establish the  
53 | effective date of the enterprise zone; authorizing the  
54 | Department of Revenue to adopt emergency rules;  
55 | providing effective dates.

56

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

58

59 Section 1. Paragraph (b) of subsection (2) of section  
60 210.20, Florida Statutes, is amended, and paragraph (c) is added  
61 to subsection (2) of that section, to read:

62 210.20 Employees and assistants; distribution of funds.—

63 (2) As collections are received by the division from such  
64 cigarette taxes, it shall pay the same into a trust fund in the  
65 State Treasury designated "Cigarette Tax Collection Trust Fund"  
66 which shall be paid and distributed as follows:

67 (b)1. Beginning January 1, 1999, and continuing for 10  
68 years thereafter, the division shall from month to month certify  
69 to the Chief Financial Officer the amount derived from the  
70 cigarette tax imposed by s. 210.02, less the service charges  
71 provided for in s. 215.20 and less 0.9 percent of the amount  
72 derived from the cigarette tax imposed by s. 210.02, which shall  
73 be deposited into the Alcoholic Beverage and Tobacco Trust Fund,  
74 specifying an amount equal to 2.59 percent of the net  
75 collections, and that amount shall be paid to the Board of  
76 Directors of the H. Lee Moffitt Cancer Center and Research  
77 Institute, established under s. 1004.43, by warrant drawn by the  
78 Chief Financial Officer upon the State Treasury. These funds are  
79 hereby appropriated monthly out of the Cigarette Tax Collection  
80 Trust Fund, to be used for the purpose of constructing,  
81 furnishing, and equipping a cancer research facility at the  
82 University of South Florida adjacent to the H. Lee Moffitt  
83 Cancer Center and Research Institute. In fiscal years 1999-2000  
84 and thereafter with the exception of fiscal year 2008-2009, the

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85 appropriation to the H. Lee Moffitt Cancer Center and Research  
86 Institute authorized by this subparagraph shall not be less than  
87 the amount that would have been paid to the H. Lee Moffitt  
88 Cancer Center and Research Institute for fiscal year 1998-1999  
89 had payments been made for the entire fiscal year rather than  
90 for a 6-month period thereof.

91 2. Beginning July 1, 2002, and continuing through June 30,  
92 2004, the division shall, in addition to the distribution  
93 authorized in subparagraph 1., from month to month certify to  
94 the Chief Financial Officer the amount derived from the  
95 cigarette tax imposed by s. 210.02, less the service charges  
96 provided for in s. 215.20 and less 0.9 percent of the amount  
97 derived from the cigarette tax imposed by s. 210.02, which shall  
98 be deposited into the Alcoholic Beverage and Tobacco Trust Fund,  
99 specifying an amount equal to 0.2632 percent of the net  
100 collections, and that amount shall be paid to the Board of  
101 Directors of the H. Lee Moffitt Cancer Center and Research  
102 Institute, established under s. 1004.43, by warrant drawn by the  
103 Chief Financial Officer. Beginning July 1, 2004, and continuing  
104 through June 30, 2012 ~~2020~~, the division shall, in addition to  
105 the distribution authorized in subparagraph 1., from month to  
106 month certify to the Chief Financial Officer the amount derived  
107 from the cigarette tax imposed by s. 210.02, less the service  
108 charges provided for in s. 215.20 and less 0.9 percent of the  
109 amount derived from the cigarette tax imposed by s. 210.02,  
110 which shall be deposited into the Alcoholic Beverage and Tobacco  
111 Trust Fund, specifying an amount equal to 1.47 percent of the  
112 net collections, and that amount shall be paid to the Board of

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113 Directors of the H. Lee Moffitt Cancer Center and Research  
114 Institute, established under s. 1004.43, by warrant drawn by the  
115 Chief Financial Officer. Beginning July 1, 2012, and continuing  
116 through June 30, 2020, the division shall from month to month  
117 certify to the Chief Financial Officer the amount derived from  
118 the cigarette tax imposed by s. 210.02, less the service charges  
119 provided for in s. 215.20 and less 0.9 percent of the amount  
120 derived from the cigarette tax imposed by s. 210.02, which shall  
121 be deposited into the Alcoholic Beverage and Tobacco Trust Fund,  
122 specifying an amount equal to 2.75 percent of the net  
123 collections, and that amount shall be paid to the Board of  
124 Directors of the H. Lee Moffitt Cancer Center and Research  
125 Institute, established under s. 1004.43, by warrant drawn by the  
126 Chief Financial Officer. These funds are appropriated monthly  
127 out of the Cigarette Tax Collection Trust Fund, to be used for  
128 lawful purposes, including ~~the purpose of~~ constructing,  
129 furnishing, ~~and~~ equipping, financing, operating, and maintaining  
130 a cancer research and clinical and related facilities;  
131 furnishing, equipping, operating, and maintaining other  
132 properties owned or leased by facility at the University of  
133 South Florida adjacent to the H. Lee Moffitt Cancer Center and  
134 Research Institute; and paying costs incurred in connection with  
135 purchasing, financing, operating, and maintaining such  
136 equipment, facilities, and properties. In fiscal years 2004-2005  
137 and thereafter, the appropriation to the H. Lee Moffitt Cancer  
138 Center and Research Institute authorized by this subparagraph  
139 shall not be less than the amount that would have been paid to  
140 the H. Lee Moffitt Cancer Center and Research Institute in

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141 fiscal year 2001-2002, had this subparagraph been in effect.

142 (c) Beginning July 1, 2012, and continuing through June  
 143 30, 2020, the division shall from month to month certify to the  
 144 Chief Financial Officer the amount derived from the cigarette  
 145 tax imposed by s. 210.02, less the service charges provided for  
 146 in s. 215.20 and less 0.9 percent of the amount derived from the  
 147 cigarette tax imposed by s. 210.02, which shall be deposited  
 148 into the Alcoholic Beverage and Tobacco Trust Fund, specifying  
 149 an amount equal to 1 percent of the net collections, and that  
 150 amount shall be deposited into the Biomedical Research Trust  
 151 Fund in the Department of Health. These funds are appropriated  
 152 annually in an amount not to exceed \$3 million from the  
 153 Biomedical Research Trust Fund for the Department of Health and  
 154 the Sanford-Burnham Medical Research Institute to work in  
 155 conjunction for the purpose of establishing activities and grant  
 156 opportunities in relation to biomedical research.

157 Section 2. Section 210.201, Florida Statutes, is amended  
 158 to read:

159 210.201 H. Lee Moffitt Cancer Center and Research  
 160 Institute facilities ~~Cancer research facility at the University~~  
 161 ~~of South Florida~~; establishment; funding.—The Board of Directors  
 162 of the H. Lee Moffitt Cancer Center and Research Institute shall  
 163 construct, furnish, and equip, and shall covenant to complete,  
 164 the cancer research and clinical and related facilities of  
 165 ~~facility at the University of South Florida adjacent to the H.~~  
 166 Lee Moffitt Cancer Center and Research Institute funded with  
 167 proceeds from the Cigarette Tax Collection Trust Fund pursuant  
 168 to s. 210.20. Moneys transferred to the Board of Directors of

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169 the H. Lee Moffitt Cancer Center and Research Institute pursuant  
 170 to s. 210.20 may ~~shall~~ be used to secure financing to pay costs  
 171 related to constructing, furnishing, ~~and~~ equipping, operating,  
 172 and maintaining ~~the~~ cancer research and clinical and related  
 173 facilities; furnishing, equipping, operating, and maintaining  
 174 other leased or owned properties; and paying costs incurred in  
 175 connection with purchasing, financing, operating, and  
 176 maintaining such equipment, facilities, and properties as  
 177 provided in s. 210.20 ~~facility~~. Such financing may include the  
 178 issuance of tax-exempt bonds or other forms of indebtedness by a  
 179 local authority, municipality, or county pursuant to parts II  
 180 and III of chapter 159. Such bonds shall not constitute state  
 181 bonds for purposes of s. 11, Art. VII of the State Constitution,  
 182 but shall constitute bonds of a "local agency," as defined in s.  
 183 159.27(4). The cigarette tax dollars pledged to facilities ~~this~~  
 184 ~~facility~~ pursuant to s. 210.20 may be replaced annually by the  
 185 Legislature from tobacco litigation settlement proceeds.

186 Section 3. Paragraph (e) of subsection (5) and paragraphs  
 187 (ee) and (rr) of subsection (7) of section 212.08, Florida  
 188 Statutes, are amended, and paragraph (hhh) is added to  
 189 subsection (7) of that section, to read:

190 212.08 Sales, rental, use, consumption, distribution, and  
 191 storage tax; specified exemptions.—The sale at retail, the  
 192 rental, the use, the consumption, the distribution, and the  
 193 storage to be used or consumed in this state of the following  
 194 are hereby specifically exempt from the tax imposed by this  
 195 chapter.

196 (5) EXEMPTIONS; ACCOUNT OF USE.—

197 (e) Gas or electricity used for certain agricultural  
 198 purposes.—

199 1. Butane gas, propane gas, natural gas, and all other  
 200 forms of liquefied petroleum gases are exempt from the tax  
 201 imposed by this chapter if used in any tractor, vehicle, or  
 202 other farm equipment which is used exclusively on a farm or for  
 203 processing farm products on the farm and no part of which gas is  
 204 used in any vehicle or equipment driven or operated on the  
 205 public highways of this state. This restriction does not apply  
 206 to the movement of farm vehicles or farm equipment between  
 207 farms. The transporting of bees by water and the operating of  
 208 equipment used in the apiary of a beekeeper is also deemed an  
 209 exempt use.

210 2. Electricity used directly or indirectly for production,  
 211 packing, or processing of agricultural products on the farm, or  
 212 used directly or indirectly in a packinghouse, is exempt from  
 213 the tax imposed by this chapter. As used in this subsection, the  
 214 term "packinghouse" means any building or structure where fruits  
 215 and vegetables are packed or otherwise prepared for market or  
 216 shipment in fresh form for wholesale distribution. The exemption  
 217 does not apply to electricity used in buildings or structures  
 218 where agricultural products are sold at retail. This exemption  
 219 applies only if the electricity used for the exempt purposes is  
 220 separately metered. If the electricity is not separately  
 221 metered, it is conclusively presumed that some portion of the  
 222 electricity is used for a nonexempt purpose, and all of the  
 223 electricity used for such purposes is taxable.

224 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any



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225 entity by this chapter do not inure to any transaction that is  
226 otherwise taxable under this chapter when payment is made by a  
227 representative or employee of the entity by any means,  
228 including, but not limited to, cash, check, or credit card, even  
229 when that representative or employee is subsequently reimbursed  
230 by the entity. In addition, exemptions provided to any entity by  
231 this subsection do not inure to any transaction that is  
232 otherwise taxable under this chapter unless the entity has  
233 obtained a sales tax exemption certificate from the department  
234 or the entity obtains or provides other documentation as  
235 required by the department. Eligible purchases or leases made  
236 with such a certificate must be in strict compliance with this  
237 subsection and departmental rules, and any person who makes an  
238 exempt purchase with a certificate that is not in strict  
239 compliance with this subsection and the rules is liable for and  
240 shall pay the tax. The department may adopt rules to administer  
241 this subsection.

242 (ee) Aircraft repair and maintenance labor charges.—There  
243 shall be exempt from the tax imposed by this chapter all labor  
244 charges for the repair and maintenance of qualified aircraft,  
245 aircraft of more than 2,000 ~~15,000~~ pounds maximum certified  
246 takeoff weight, and rotary wing aircraft of more than 10,000  
247 pounds maximum certified takeoff weight. Except as otherwise  
248 provided in this chapter, charges for parts and equipment  
249 furnished in connection with such labor charges are taxable.

250 (rr) Equipment used in aircraft repair and maintenance.—  
251 There shall be exempt from the tax imposed by this chapter  
252 replacement engines, parts, and equipment used in the repair or

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253 maintenance of qualified aircraft, aircraft of more than 2,000  
254 ~~15,000~~ pounds maximum certified takeoff weight, and rotary wing  
255 aircraft of more than 10,300 pounds maximum certified takeoff  
256 weight, when such parts or equipment are installed on such  
257 aircraft that is being repaired or maintained in this state.

258 (hhh) Items used in manufacturing and fabricating aircraft  
259 and gas turbine engines.—Chemicals, machinery, parts, and  
260 equipment used and consumed in the manufacture or fabrication of  
261 aircraft engines and gas turbine engines, including cores,  
262 electrical discharge machining supplies, brass electrodes,  
263 ceramic guides, reamers, grinding and deburring wheels, Norton  
264 vortex wheels, argon, nitrogen, helium, fluid abrasive cutters,  
265 solvents and soaps, boroscopes, penetrants, patterns, dies, and  
266 molds consumed in the production of castings are exempt from the  
267 tax imposed by this chapter.

268 Section 4. Effective January 1, 2013, paragraph (b) of  
269 subsection (5) of section 212.08, Florida Statutes, is amended  
270 to read:

271 212.08 Sales, rental, use, consumption, distribution, and  
272 storage tax; specified exemptions.—The sale at retail, the  
273 rental, the use, the consumption, the distribution, and the  
274 storage to be used or consumed in this state of the following  
275 are hereby specifically exempt from the tax imposed by this  
276 chapter.

277 (5) EXEMPTIONS; ACCOUNT OF USE.—

278 (b) Machinery and equipment used to increase productive  
279 output.—

280 1. Industrial machinery and equipment purchased for

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281 exclusive use by a new business in spaceport activities as  
282 defined by s. 212.02 or for use in new businesses that  
283 manufacture, process, compound, or produce for sale items of  
284 tangible personal property at fixed locations are exempt from  
285 the tax imposed by this chapter upon an affirmative showing by  
286 the taxpayer to the satisfaction of the department that such  
287 items are used in a new business in this state. Such purchases  
288 must be made before ~~prior to~~ the date the business first begins  
289 its productive operations, and delivery of the purchased item  
290 must be made within 12 months after that date.

291 2. Industrial machinery and equipment purchased for  
292 exclusive use by an expanding facility which is engaged in  
293 spaceport activities as defined by s. 212.02 or for use in  
294 expanding manufacturing facilities or plant units which  
295 manufacture, process, compound, or produce for sale items of  
296 tangible personal property at fixed locations in this state are  
297 exempt from any amount of tax imposed by this chapter upon an  
298 affirmative showing by the taxpayer to the satisfaction of the  
299 department that such items are used to increase the productive  
300 output of such expanded facility or business by not less than 5  
301 ~~10~~ percent.

302 3.a. To receive an exemption provided by subparagraph 1.  
303 or subparagraph 2., a qualifying business entity shall apply to  
304 the department for a temporary tax exemption permit. The  
305 application shall state that a new business exemption or  
306 expanded business exemption is being sought. Upon a tentative  
307 affirmative determination by the department pursuant to  
308 subparagraph 1. or subparagraph 2., the department shall issue

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309 such permit.

310 b. The applicant shall maintain all necessary books and  
311 records to support the exemption. Upon completion of purchases  
312 of qualified machinery and equipment pursuant to subparagraph 1.  
313 or subparagraph 2., the temporary tax permit shall be delivered  
314 to the department or returned to the department by certified or  
315 registered mail.

316 c. If, in a subsequent audit conducted by the department,  
317 it is determined that the machinery and equipment purchased as  
318 exempt under subparagraph 1. or subparagraph 2. did not meet the  
319 criteria mandated by this paragraph or if commencement of  
320 production did not occur, the amount of taxes exempted at the  
321 time of purchase shall immediately be due and payable to the  
322 department by the business entity, together with the appropriate  
323 interest and penalty, computed from the date of purchase, in the  
324 manner prescribed by this chapter.

325 d. If a qualifying business entity fails to apply for a  
326 temporary exemption permit or if the tentative determination by  
327 the department required to obtain a temporary exemption permit  
328 is negative, a qualifying business entity shall receive the  
329 exemption provided in subparagraph 1. or subparagraph 2. through  
330 a refund of previously paid taxes. No refund may be made for  
331 such taxes unless the criteria mandated by subparagraph 1. or  
332 subparagraph 2. have been met and commencement of production has  
333 occurred.

334 4. The department shall adopt rules governing applications  
335 for, issuance of, and the form of temporary tax exemption  
336 permits; provisions for recapture of taxes; and the manner and

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337 form of refund applications, and may establish guidelines as to  
338 the requisites for an affirmative showing of increased  
339 productive output, commencement of production, and qualification  
340 for exemption.

341 5. The exemptions provided in subparagraphs 1. and 2. do  
342 not apply to machinery or equipment purchased or used by  
343 electric utility companies, communications companies, oil or gas  
344 exploration or production operations, publishing firms that do  
345 not export at least 50 percent of their finished product out of  
346 the state, any firm subject to regulation by the Division of  
347 Hotels and Restaurants of the Department of Business and  
348 Professional Regulation, or any firm that does not manufacture,  
349 process, compound, or produce for sale items of tangible  
350 personal property or that does not use such machinery and  
351 equipment in spaceport activities as required by this paragraph.  
352 The exemptions provided in subparagraphs 1. and 2. shall apply  
353 to machinery and equipment purchased for use in phosphate or  
354 other solid minerals severance, mining, or processing  
355 operations.

356 6. For the purposes of the exemptions provided in  
357 subparagraphs 1. and 2., these terms have the following  
358 meanings:

359 a. "Industrial machinery and equipment" means tangible  
360 personal property or other property that has a depreciable life  
361 of 3 years or more and that is used as an integral part in the  
362 manufacturing, processing, compounding, or production of  
363 tangible personal property for sale or is exclusively used in  
364 spaceport activities. A building and its structural components

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365 are not industrial machinery and equipment unless the building  
366 or structural component is so closely related to the industrial  
367 machinery and equipment that it houses or supports that the  
368 building or structural component can be expected to be replaced  
369 when the machinery and equipment are replaced. Heating and air-  
370 conditioning systems are not industrial machinery and equipment  
371 unless the sole justification for their installation is to meet  
372 the requirements of the production process, even though the  
373 system may provide incidental comfort to employees or serve, to  
374 an insubstantial degree, nonproduction activities. The term  
375 includes parts and accessories only to the extent that the  
376 exemption thereof is consistent with the provisions of this  
377 paragraph.

378 b. "Productive output" means the number of units actually  
379 produced by a single plant, operation, or product line in a  
380 single continuous 12-month period, irrespective of sales.  
381 Increases in productive output shall be measured by the output  
382 for 12 continuous months selected by the expanding business  
383 after ~~following the~~ completion of the installation of such  
384 machinery or equipment over the output for the 12 continuous  
385 months immediately preceding such installation. However, in no  
386 case may such time period begin later than 2 years after  
387 ~~following the~~ completion of the installation of the new  
388 machinery and equipment. The units used to measure productive  
389 output shall be physically comparable between the two periods,  
390 irrespective of sales.

391 Section 5. Subsection (5) of section 212.097, Florida  
392 Statutes, is amended to read:

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393 212.097 Urban High-Crime Area Job Tax Credit Program.—

394 (5) To be eligible for a tax credit under subsection (3),  
 395 the number of qualified employees employed 1 year before ~~prior~~  
 396 ~~to~~ the application date must be no lower than the number of  
 397 qualified employees on January 1, 2009, or on the application  
 398 date on which a credit under this section was based for any  
 399 previous application, including an application under subsection  
 400 (2), whichever occurs later.

401 Section 6. Effective January 1, 2013, and applying to tax  
 402 years beginning on or after January 1, 2013, subsection (1) of  
 403 section 220.14, Florida Statutes, is amended to read:

404 220.14 Exemption.—

405 (1) In computing a taxpayer's liability for tax under this  
 406 code, there shall be exempt from the tax \$50,000 ~~\$25,000~~ of net  
 407 income as defined in s. 220.12 or such lesser amount as will,  
 408 without increasing the taxpayer's federal income tax liability,  
 409 provide the state with an amount under this code which is equal  
 410 to the maximum federal income tax credit which may be available  
 411 from time to time under federal law.

412 Section 7. Effective January 1, 2013, and applying to tax  
 413 years beginning on or after January 1, 2013, subsection (3) of  
 414 section 220.63, Florida Statutes, is amended to read:

415 220.63 Franchise tax imposed on banks and savings  
 416 associations.—

417 (3) For purposes of this part, the franchise tax base  
 418 shall be adjusted federal income, as defined in s. 220.13,  
 419 apportioned to this state, plus nonbusiness income allocated to  
 420 this state pursuant to s. 220.16, less the deduction allowed in

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421 subsection (5) and less \$50,000 ~~\$25,000~~.

422 Section 8. Paragraph (b) of subsection (4) of section  
423 288.1254, Florida Statutes, is amended to read:

424 288.1254 Entertainment industry financial incentive  
425 program.—

426 (4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES;  
427 ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS;  
428 PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND  
429 ACQUISITIONS.—

430 (b) Tax credit eligibility.—

431 1. General production queue.—Ninety-four percent of tax  
432 credits authorized pursuant to subsection (6) in any state  
433 fiscal year must be dedicated to the general production queue.  
434 The general production queue consists of all qualified  
435 productions other than those eligible for the commercial and  
436 music video queue or the independent and emerging media  
437 production queue. A qualified production that demonstrates a  
438 minimum of \$625,000 in qualified expenditures is eligible for  
439 tax credits equal to 20 percent of its actual qualified  
440 expenditures, up to a maximum of \$8 million. A qualified  
441 production that incurs qualified expenditures during multiple  
442 state fiscal years may combine those expenditures to satisfy the  
443 \$625,000 minimum threshold. If a qualified production claims a  
444 credit from this queue for principal-photography-related  
445 qualified production expenditures, at least 50 percent of the  
446 total principal photography shooting days spent in the  
447 production of that qualified production must be within this  
448 state or at least \$10 million must be spent on qualified



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449 production expenditures within this state.

450 a. An off-season certified production that is a feature  
451 film, independent film, or television series or pilot is  
452 eligible for an additional 5-percent tax credit on actual  
453 qualified expenditures. An off-season certified production that  
454 does not complete 75 percent of principal photography due to a  
455 disruption caused by a hurricane or tropical storm may not be  
456 disqualified from eligibility for the additional 5-percent  
457 credit as a result of the disruption.

458 b. If more than 25 percent of the sum of total tax credits  
459 awarded to productions after July 1, 2010, and total tax credits  
460 certified, but not yet awarded, to productions currently in this  
461 state has been awarded for television series, then no television  
462 series ~~or pilot~~ shall be eligible for tax credits under this  
463 subparagraph.

464 c. The calculations required by this sub-subparagraph  
465 shall use only credits available to be certified and awarded on  
466 or after July 1, 2011.

467 (I) If the provisions of sub-subparagraph b. are not  
468 applicable and less than 25 percent of the sum of the total tax  
469 credits awarded to productions and the total tax credits  
470 certified, but not yet awarded, to productions currently in this  
471 state has been to high-impact television series, any qualified  
472 high-impact television series shall be allowed first position in  
473 this queue for tax credit awards not yet certified.

474 (II) If less than 20 percent of the sum of the total tax  
475 credits awarded to productions and the total tax credits  
476 certified, but not yet awarded, to productions currently in this

477 state has been to digital media projects, any digital media  
478 project with qualified expenditures of greater than \$4,500,000  
479 shall be allowed first position in this queue for tax credit  
480 awards not yet certified.

481 (III) For the purposes of determining position between a  
482 high-impact television series allowed first position and a  
483 digital media project allowed first position under this sub-  
484 subparagraph, tax credits shall be awarded on a first-come,  
485 first-served basis.

486 d. A qualified production that incurs at least 85 percent  
487 of its qualified expenditures within a region designated as an  
488 underutilized region at the time that the production is  
489 certified is eligible for an additional 5-percent tax credit.

490 e. Any qualified production that employs students enrolled  
491 full-time in a film and entertainment-related or digital media-  
492 related course of study at an institution of higher education in  
493 this state is eligible for an additional 15-percent tax credit  
494 on qualified expenditures that are wages, salaries, or other  
495 compensation paid to such students. The additional 15-percent  
496 tax credit shall also be applicable to persons hired within 12  
497 months of graduating from a film and entertainment-related or  
498 digital media-related course of study at an institution of  
499 higher education in this state. The additional 15-percent tax  
500 credit shall apply to qualified expenditures that are wages,  
501 salaries, or other compensation paid to such recent graduates  
502 for 1 year from the date of hiring.

503 f. A qualified production for which 50 percent or more of  
504 its principal photography occurs at a qualified production

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505 facility, or a qualified digital media project or the digital  
506 animation component of a qualified production for which 50  
507 percent or more of the project's or component's qualified  
508 expenditures are related to a qualified digital media production  
509 facility, shall be eligible for an additional 5-percent tax  
510 credit on actual qualified expenditures for production activity  
511 at that facility.

512 g. No qualified production shall be eligible for tax  
513 credits provided under this paragraph totaling more than 30  
514 percent of its actual qualified expenses.

515 2. Commercial and music video queue.—Three percent of tax  
516 credits authorized pursuant to subsection (6) in any state  
517 fiscal year must be dedicated to the commercial and music video  
518 queue. A qualified production company that produces national or  
519 regional commercials or music videos may be eligible for a tax  
520 credit award if it demonstrates a minimum of \$100,000 in  
521 qualified expenditures per national or regional commercial or  
522 music video and exceeds a combined threshold of \$500,000 after  
523 combining actual qualified expenditures from qualified  
524 commercials and music videos during a single state fiscal year.  
525 After a qualified production company that produces commercials,  
526 music videos, or both reaches the threshold of \$500,000, it is  
527 eligible to apply for certification for a tax credit award. The  
528 maximum credit award shall be equal to 20 percent of its actual  
529 qualified expenditures up to a maximum of \$500,000. If there is  
530 a surplus at the end of a fiscal year after the Office of Film  
531 and Entertainment certifies and determines the tax credits for  
532 all qualified commercial and video projects, such surplus tax

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533 credits shall be carried forward to the following fiscal year  
534 and be available to any eligible qualified productions under the  
535 general production queue.

536 3. Independent and emerging media production queue.—Three  
537 percent of tax credits authorized pursuant to subsection (6) in  
538 any state fiscal year must be dedicated to the independent and  
539 emerging media production queue. This queue is intended to  
540 encourage Florida independent film and emerging media  
541 production. Any qualified production, excluding commercials,  
542 infomercials, or music videos, that demonstrates at least  
543 \$100,000, but not more than \$625,000, in total qualified  
544 expenditures is eligible for tax credits equal to 20 percent of  
545 its actual qualified expenditures. If a surplus exists at the  
546 end of a fiscal year after the Office of Film and Entertainment  
547 certifies and determines the tax credits for all qualified  
548 independent and emerging media production projects, such surplus  
549 tax credits shall be carried forward to the following fiscal  
550 year and be available to any eligible qualified productions  
551 under the general production queue.

552 4. Family-friendly productions.—A certified theatrical or  
553 direct-to-video motion picture production or video game  
554 determined by the Commissioner of Film and Entertainment, with  
555 the advice of the Florida Film and Entertainment Advisory  
556 Council, to be family-friendly, based on the review of the  
557 script and the review of the final release version, is eligible  
558 for an additional tax credit equal to 5 percent of its actual  
559 qualified expenditures. Family-friendly productions are those  
560 that have cross-generational appeal; would be considered

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561 suitable for viewing by children age 5 or older; are appropriate  
 562 in theme, content, and language for a broad family audience;  
 563 embody a responsible resolution of issues; and do not exhibit or  
 564 imply any act of smoking, sex, nudity, or vulgar or profane  
 565 language.

566 Section 9. Paragraph (c) of subsection (3) of section  
 567 288.9914, Florida Statutes, is amended to read:

568 288.9914 Certification of qualified investments;  
 569 investment issuance reporting.—

570 (3) REVIEW.—

571 (c) The department may not approve a cumulative amount of  
 572 qualified investments that may result in the claim of more than  
 573 \$195 ~~\$97.5~~ million in tax credits during the existence of the  
 574 program or more than \$40 ~~\$20~~ million in tax credits in a single  
 575 state fiscal year. However, the potential for a taxpayer to  
 576 carry forward an unused tax credit may not be considered in  
 577 calculating the annual limit.

578 Section 10. Subsection (1) of section 288.9915, Florida  
 579 Statutes, is amended to read:

580 288.9915 Use of proceeds from qualified investments;  
 581 recordkeeping.—

582 (1) A qualified community development entity may not make  
 583 cash interest payments on a long-term debt security that is a  
 584 qualified investment in excess of the entity's cumulative  
 585 operating income earned during the 7 ~~for 6~~ years after following  
 586 the issuance of the security. For purposes of calculating  
 587 operating income, the interest expense on the security is  
 588 disregarded.

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589 Section 11. Section 290.00729, Florida Statutes, is  
590 created to read:

591 290.00729 Enterprise zone designation for Charlotte  
592 County.—Charlotte County may apply to the Department of Economic  
593 Opportunity for designation of one enterprise zone encompassing  
594 an area not to exceed 20 square miles within Charlotte County.  
595 The application must be submitted by December 31, 2012, and must  
596 comply with the requirements in s. 290.0055. Notwithstanding s.  
597 290.0065 limiting the total number of enterprise zones  
598 designated and the number of enterprise zones within a  
599 population category, the department may designate one enterprise  
600 zone under this section. The department shall establish the  
601 initial effective date of the enterprise zone designated under  
602 this section.

603 Section 12. Section 290.00731, Florida Statutes, is  
604 created to read:

605 290.00731 Enterprise zone designation for Citrus County.—  
606 Citrus County may apply to the department for designation of one  
607 enterprise zone for an area within Citrus County. The  
608 application must be submitted by December 31, 2012, and must  
609 comply with the requirements of s. 290.0055. Notwithstanding s.  
610 290.0065 limiting the total number of enterprise zones  
611 designated and the number of enterprise zones within a  
612 population category, the department may designate one enterprise  
613 zone under this section. The department shall establish the  
614 initial effective date of the enterprise zone designated under  
615 this section.

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616           Section 13. (1) The executive director of the Department  
617 of Revenue is authorized, and all conditions are deemed met, to  
618 adopt emergency rules under ss. 120.536(1) and 120.54(4),  
619 Florida Statutes, for the purpose of implementing this act.

620           (2) Notwithstanding any provision of law, such emergency  
621 rules shall remain in effect for 6 months after the date adopted  
622 and may be renewed during the pendency of procedures to adopt  
623 permanent rules addressing the subject of the emergency rules.

624           Section 14. Except as otherwise expressly provided in this  
625 act, this act shall take effect July 1, 2012.