

Tax Advantages for Businesses

Corporate Income Tax

Related to Jobs

Enterprise Zone Jobs Credit

- A business located in an enterprise zone may take a credit when it hires employees who:
 - Live in an enterprise zone; or
 - Participate in a welfare transition program.
- To qualify for the credit, the business must:
 - Show an increase in the total number of full-time jobs over 12 months.
 - Have employed the eligible employees for at least 3 months.
 - Have leased the eligible leased employees for more than 6 months.
- The credit is 20% of the actual monthly wages paid in this state to each new employee hired into a newly-created job. The percentage of the actual monthly wages paid could be greater than 20%, depending on certain circumstances.
- The credit may be carried forward for five years.

References: Section 220.181, F.S., Tax Information Publication (TIP) 01A01-06, TIP 06ADM-02, and Enterprise Florida

Rural Job Tax Credit

- Provides an incentive for eligible businesses, located within designated rural counties, to create new jobs.
- The tax credit can range from \$1,000 to \$1,500 per qualified employee.
- A business may receive up to \$500,000 in tax credits during any one calendar year for its efforts in creating jobs.
- The credit may be carried forward for five years.

References: Section 220.1895, F.S., s. 212.098, F.S., TIP 01A01-06

Urban High-Crime Area Job Tax Credit

- Provides an incentive for eligible businesses, located within designated urban areas, to create new jobs.
- The credit can range from \$500 to \$2,000 per qualified employee.
- The credit may be carried forward for five years.

References: Section 220.1895, F.S., s. 212.097, F.S.

Subtraction for Florida Employees Included in Calculation of Federal Employment Credits

- Provides a deduction for the amount of wages and salaries paid to Florida employees for the taxable year for which no deduction is allowed under s. 280C(a) of the Internal Revenue Code (relating to credit for employment of certain new employees).

Reference: Section 220.13(1)(b)3., F.S.

Enterprise Zone Property Tax Credit

- The credit is available to a corporation that does one of the following in an enterprise zone:
 - Creates a new business with five or more new jobs.
 - Expands an existing business and creates five or more new jobs.
 - Rebuilds an existing business that suffered damage in an emergency.
- The credit is computed on 96% of ad valorem taxes levied for operating purposes, not including debt service.
- The credit may be carried forward for five years.

References: Section 220.182, F.S. and Enterprise Florida

Related to Investment in Florida

Entertainment Industry Tax Credit

- Credit must be approved by the Department of Economic Opportunity (DEO) under the guidelines in s. 288.1254, F.S.
- The credit may be carried forward for five years.

References: Section 220.1899, F.S., s. 288.1254, F.S., TIP 10A01-08, and Governor's Office of Film and Entertainment

Capital Investment Tax Credit

- The credit is available to businesses in a designated high-impact sector (e.g., silicon technology, transportation industries, or solar panel manufacturing facilities).
- The business must establish a qualified project which results in a cumulative capital investment of at least \$25 million.
- The project must be certified by the Department of Economic Opportunity (DEO) An annual credit may be claimed for up to 20 years in an amount equal to 5% of the eligible capital costs generated by a qualifying project.

References: Section 220.191, F.S., TIP 98C01-06, TIP 08C01-04

Credit for Contributions to Nonprofit Scholarship Funding Organizations

- The allowed credit is 100% of the eligible contributions made during the taxable year.
- The credit may be carried forward for five years.

References: Section 220.1875, F.S., s. 1002.395, F.S., TIP 10ADM-05, TIP 09C01-02, TIP 06C01-02, TIP 03C01-03R (revised), TIP 11ADM-02, www.floridaschoolchoice.org

Community Contribution Tax Credit

- Allows a credit of 50% of a qualified community contribution (cash, property, or goods) to an eligible sponsor for a project as defined in s. 220.03(1)(t), F.S.
- The annual amount granted is up to \$200,000 per business.
- The credit may be carried forward for five years.

Reference: Section 220.183, F.S.

State Housing Tax Credit

- Provides a credit to private corporations that build low-income housing projects in urban areas.
- A credit of up to 9% is allowed of the eligible basis of any designated project for each year of the credit period for a taxable year.

Reference: Section 220.185, F.S.

Contaminated Site Rehabilitation Tax Credit

- Provides a credit to taxpayers that voluntarily rehabilitate brownfield sites or sites contaminated with dry-cleaning solvent.
- The credit must be approved by the Florida Department of Environmental Protection.
- The credit is for 50% of rehabilitation costs, up to \$500,000 per site per year.
- The credit may be carried forward for five years.

References: Section 220.1845, F.S. and TIP 98C1-04

Hazardous Waste Facility Tax Credit

- Provides a credit to the owner of any commercial hazardous waste recycling facility that incurs expenses for hydrologic, geologic, or soil site evaluations and permit fees required by the Florida Department of Environmental Protection. The credit is equal to the amount of expenses incurred.
- Also provides a credit to the owner of any commercial hazardous waste recycling facility permitted by the Florida Department of Environmental Protection equal to 5% of the cost of stationary facility equipment placed in service during the taxable year and used for the recycling of hazardous wastes.
- The credit may be carried forward for five years.

Reference: Section 220.184, F.S.

Related to Other Taxes Paid

Florida Alternative Minimum Tax Credit (AMT)

- Provides a credit equal to the excess of the Florida AMT paid over the amount of regular corporate income tax.
- Florida AMT credit can be applied in each following year in which the taxpayer does not owe Florida AMT. The amount of the Florida AMT credit which can be taken in a given year is limited to the excess of Florida corporate income tax over Florida AMT computed in that year.
- There is no time limit on carryovers.

Reference: Section 220.186, F.S.

Related to Insurers and Health Maintenance Organizations

Florida Health Maintenance Organization Consumer Assistance Assessment Credit

- Allows a credit equal to 20% of the assessments paid to the Florida Health Maintenance Organization Consumer Assistance Plan for each year following the year in which such assessment was paid.
- Five years after the assessment was paid, the entire amount of the assessment will be credited.

Reference: Section 631.828, F.S.

Florida Life and Health Guaranty Association (FLAHIGA)

- Provides a credit to a member insurer of FLAHIGA based on any assessments described in s. 631.718, F.S.
- The credit allowed is a percentage of the assessments paid.

Reference: Section 631.72, F.S.