

EZ Jobs Credit (Corporate Income Tax) --- Florida Statutes 220.181

(1)(a) There shall be allowed a credit against the tax imposed by this chapter to any business located in an enterprise zone which demonstrates to the department that, on the date of application, the total number of full-time jobs is greater than the total was 12 months prior to that date. The credit shall be computed as 20 percent of the actual monthly wages paid in this state to each new employee hired when a new job has been created, as defined under ¹s. 220.03(1)(ff), unless the business is located in a rural enterprise zone, pursuant to s. 290.004(6), in which case the credit shall be 30 percent of the actual monthly wages paid. If no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees, the credit shall be computed as 30 percent of the actual monthly wages paid in this state to each new employee hired when a new job has been created, unless the business is located in a rural enterprise zone, in which case the credit shall be 45 percent of the actual monthly wages paid, for a period of up to 24 consecutive months. If the new employee hired when a new job is created is a participant in the welfare transition program, the following credit shall be a percent of the actual monthly wages paid: 40 percent for \$4 above the hourly federal minimum wage rate; 41 percent for \$5 above the hourly federal minimum wage rate; 42 percent for \$6 above the hourly federal minimum wage rate; 43 percent for \$7 above the hourly federal minimum wage rate; and 44 percent for \$8 above the hourly federal minimum wage rate.

(b) This credit applies only with respect to wages subject to unemployment tax. The credit provided in this section does not apply:

1. For any employee who is an owner, partner, or majority stockholder of an eligible business.
2. For any new employee who is employed for any period less than 3 months.

(c) If this credit is not fully used in any one year, the unused amount may be carried forward for a period not to exceed 5 years. The carryover credit may be used in a subsequent year when the tax imposed by this chapter for such year exceeds the credit for such year after applying the other credits and unused credit carryovers in the order provided in s. 220.02(8).

(2) When filing for an enterprise zone jobs credit, a business must file under oath with the governing body or enterprise zone development agency having jurisdiction over the enterprise zone where the business is located, as applicable, a statement which includes:

(a) For each new employee for whom this credit is claimed, the employee's name and place of residence during the taxable year, including the identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the new employee resides if the new employee is a person residing in an enterprise zone, and, if applicable, documentation that the employee is a welfare transition program participant.

(b) If applicable, the name and address of each permanent employee of the business, including, for each employee who is a resident of an enterprise zone, the identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the employee resides.

- (c) The name and address of the business.
 - (d) The identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the eligible business is located.
 - (e) The salary or hourly wages paid to each new employee claimed.
 - (f) Demonstration to the department that, on the date of application, the total number of full-time jobs is greater than the total was 12 months prior to that date.
 - (g) Whether the business is a small business as defined by s. 288.703(1).
- (3) Within 10 working days after receipt of an application, the governing body or enterprise zone development agency shall review the application to determine if it contains all the information required pursuant to subsection (2) and meets the criteria set out in this section. The governing body or agency shall certify all applications that contain the information required pursuant to subsection (2) and meet the criteria set out in this section as eligible to receive a credit. If applicable, the governing body or agency shall also certify if 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees. The certification shall be in writing, and a copy of the certification shall be transmitted to the executive director of the Department of Revenue. The business shall be responsible for forwarding a certified application to the department.
- (4) It shall be the responsibility of the taxpayer to affirmatively demonstrate to the satisfaction of the department that it meets the requirements of this act.
- (5) For the purpose of this section, the term "month" means either a calendar month or the time period from any day of any month to the corresponding day of the next succeeding month or, if there is no corresponding day in the next succeeding month, the last day of the succeeding month.
- (6) No business which files an amended return for a taxable year shall be allowed any amount of credit or credit carryforward pursuant to this section in excess of the amount claimed by such business on its original return for the taxable year. The provisions of this subsection do not apply to increases in the amount of credit claimed under this section on an amended return due to the use of any credit amount previously carried forward for the taxable year on the original return or any eligible prior year under paragraph (1)(c).
- (7) Any business which has claimed this credit shall not be allowed any credit under the provision of s. 212.096 for any new employee beginning employment after July 1, 1995. The provisions of this subsection shall not apply when a corporation converts to an S corporation for purposes of compliance with the Internal Revenue Code of 1986, as amended; however, no corporation shall be allowed the benefit of this credit and the credit under s. 212.096 either for the same new employee or for the same taxable year. In addition, such a corporation shall not be allowed any credit under s. 212.096 until it has filed notice of its intent to change its status for tax purposes and until its final return under this chapter for the taxable year prior to such change has been filed.

(8)(a) Any person who fraudulently claims this credit is liable for repayment of the credit, plus a mandatory penalty in the amount of 200 percent of the credit, plus interest at the rate provided in s. 220.807, and commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(b) Any person who makes an underpayment of tax as a result of a grossly overstated claim for this credit is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. For purposes of this paragraph, a grossly overstated claim means a claim in an amount in excess of 100 percent of the amount of credit allowable under this section.

(9) This section, except paragraph (1)(c) and subsection (8), expires on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act, and a business may not begin claiming the enterprise zone jobs credit after that date; however, the expiration of this section does not affect the operation of any credit for which a business has qualified under this section before that date, or any carryforward of unused credit amounts as provided in paragraph (1)(c).

History.--ss. 3, 6, ch. 80-247; s. 22, ch. 81-167; s. 4, ch. 82-119; s. 20, ch. 83-55; s. 39, ch. 84-356; s. 35, ch. 85-80; s. 56, ch. 86-152; s. 97, ch. 87-6; ss. 17, 30, ch. 88-201; s. 93, ch. 91-112; s. 27, ch. 92-320; s. 51, ch. 94-136; s. 18, ch. 96-320; s. 22, ch. 98-57; s. 59, ch. 2000-165; s. 31, ch. 2000-210; s. 7, ch. 2001-201; s. 41, ch. 2002-218; s. 25, ch. 2005-287; s. 6, ch. 2006-113.

¹**Note.**--Redesignated as s. 220.03(1)(ee) to conform to s. 4, ch. 2006-2.