

By the Committee on Finance and Tax; and Senator Jones

593-02731-21

2021258c1

1                   A bill to be entitled  
2           An act relating to an internship tax credit program;  
3           amending s. 220.02, F.S.; specifying the order in  
4           which the Florida Internship Tax Credit Program  
5           corporate income tax credit created by this act is  
6           applied; amending s. 220.13, F.S.; requiring certain  
7           claimed tax credit amounts to be added to a taxpayer's  
8           adjusted federal income; creating s. 220.198, F.S.;  
9           providing a short title; defining terms; providing a  
10          corporate income tax credit for qualified businesses  
11          employing student interns if certain criteria are met;  
12          specifying the amount of the credit a qualified  
13          business may claim per student intern; specifying a  
14          limit on the credit claimed per taxable year;  
15          authorizing the Department of Revenue to adopt certain  
16          rules; authorizing a qualified business to carry  
17          forward unused credit for a certain time; authorizing  
18          the department to adopt emergency rules; providing for  
19          expiration of that authority; providing effective  
20          dates.

21  
22   Be It Enacted by the Legislature of the State of Florida:

23  
24          Section 1. Subsection (8) of section 220.02, Florida  
25          Statutes, is amended to read:

26          220.02 Legislative intent.—

27          (8) It is the intent of the Legislature that credits  
28          against either the corporate income tax or the franchise tax be  
29          applied in the following order: those enumerated in s. 631.828,

593-02731-21

2021258c1

30 those enumerated in s. 220.191, those enumerated in s. 220.181,  
31 those enumerated in s. 220.183, those enumerated in s. 220.182,  
32 those enumerated in s. 220.1895, those enumerated in s. 220.195,  
33 those enumerated in s. 220.184, those enumerated in s. 220.186,  
34 those enumerated in s. 220.1845, those enumerated in s. 220.19,  
35 those enumerated in s. 220.185, those enumerated in s. 220.1875,  
36 those enumerated in s. 220.193, those enumerated in s. 288.9916,  
37 those enumerated in s. 220.1899, those enumerated in s. 220.194,  
38 ~~and~~ those enumerated in s. 220.196, and those enumerated in s.  
39 220.198.

40 Section 2. Paragraph (a) of subsection (1) of section  
41 220.13, Florida Statutes, is amended to read:

42 220.13 "Adjusted federal income" defined.—

43 (1) The term "adjusted federal income" means an amount  
44 equal to the taxpayer's taxable income as defined in subsection  
45 (2), or such taxable income of more than one taxpayer as  
46 provided in s. 220.131, for the taxable year, adjusted as  
47 follows:

48 (a) *Additions.*—There shall be added to such taxable income:

49 1.a. The amount of any tax upon or measured by income,  
50 excluding taxes based on gross receipts or revenues, paid or  
51 accrued as a liability to the District of Columbia or any state  
52 of the United States which is deductible from gross income in  
53 the computation of taxable income for the taxable year.

54 b. Notwithstanding sub-subparagraph a., if a credit taken  
55 under s. 220.1875 is added to taxable income in a previous  
56 taxable year under subparagraph 11. and is taken as a deduction  
57 for federal tax purposes in the current taxable year, the amount  
58 of the deduction allowed shall not be added to taxable income in

593-02731-21

2021258c1

59 the current year. The exception in this sub-subparagraph is  
60 intended to ensure that the credit under s. 220.1875 is added in  
61 the applicable taxable year and does not result in a duplicate  
62 addition in a subsequent year.

63 2. The amount of interest which is excluded from taxable  
64 income under s. 103(a) of the Internal Revenue Code or any other  
65 federal law, less the associated expenses disallowed in the  
66 computation of taxable income under s. 265 of the Internal  
67 Revenue Code or any other law, excluding 60 percent of any  
68 amounts included in alternative minimum taxable income, as  
69 defined in s. 55(b)(2) of the Internal Revenue Code, if the  
70 taxpayer pays tax under s. 220.11(3).

71 3. In the case of a regulated investment company or real  
72 estate investment trust, an amount equal to the excess of the  
73 net long-term capital gain for the taxable year over the amount  
74 of the capital gain dividends attributable to the taxable year.

75 4. That portion of the wages or salaries paid or incurred  
76 for the taxable year which is equal to the amount of the credit  
77 allowable for the taxable year under s. 220.181. This  
78 subparagraph shall expire on the date specified in s. 290.016  
79 for the expiration of the Florida Enterprise Zone Act.

80 5. That portion of the ad valorem school taxes paid or  
81 incurred for the taxable year which is equal to the amount of  
82 the credit allowable for the taxable year under s. 220.182. This  
83 subparagraph shall expire on the date specified in s. 290.016  
84 for the expiration of the Florida Enterprise Zone Act.

85 6. The amount taken as a credit under s. 220.195 which is  
86 deductible from gross income in the computation of taxable  
87 income for the taxable year.

593-02731-21

2021258c1

88           7. That portion of assessments to fund a guaranty  
89 association incurred for the taxable year which is equal to the  
90 amount of the credit allowable for the taxable year.

91           8. In the case of a nonprofit corporation which holds a  
92 pari-mutuel permit and which is exempt from federal income tax  
93 as a farmers' cooperative, an amount equal to the excess of the  
94 gross income attributable to the pari-mutuel operations over the  
95 attributable expenses for the taxable year.

96           9. The amount taken as a credit for the taxable year under  
97 s. 220.1895.

98           10. Up to nine percent of the eligible basis of any  
99 designated project which is equal to the credit allowable for  
100 the taxable year under s. 220.185.

101           11. The amount taken as a credit for the taxable year under  
102 s. 220.1875. The addition in this subparagraph is intended to  
103 ensure that the same amount is not allowed for the tax purposes  
104 of this state as both a deduction from income and a credit  
105 against the tax. This addition is not intended to result in  
106 adding the same expense back to income more than once.

107           12. The amount taken as a credit for the taxable year under  
108 s. 220.193.

109           13. Any portion of a qualified investment, as defined in s.  
110 288.9913, which is claimed as a deduction by the taxpayer and  
111 taken as a credit against income tax pursuant to s. 288.9916.

112           14. The costs to acquire a tax credit pursuant to s.  
113 288.1254(5) that are deducted from or otherwise reduce federal  
114 taxable income for the taxable year.

115           15. The amount taken as a credit for the taxable year  
116 pursuant to s. 220.194.

593-02731-21

2021258c1

117 16. The amount taken as a credit for the taxable year under  
118 s. 220.196. The addition in this subparagraph is intended to  
119 ensure that the same amount is not allowed for the tax purposes  
120 of this state as both a deduction from income and a credit  
121 against the tax. The addition is not intended to result in  
122 adding the same expense back to income more than once.

123 17. The amount taken as a credit for the taxable year  
124 pursuant to s. 220.198.

125 Section 3. Section 220.198, Florida Statutes, is created to  
126 read:

127 220.198 Internship tax credit program.—

128 (1) This section may be cited as the "Florida Internship  
129 Tax Credit Program."

130 (2) As used in this section, the term:

131 (a) "Full time" means at least 30 hours per week.

132 (b) "Qualified business" means a business that is in  
133 existence and has been continuously operating for at least 3  
134 years.

135 (c) "Student intern" means a person who has completed at  
136 least 60 credit hours at a state university or a Florida College  
137 System institution; a person who is enrolled in a career center  
138 operated by a school district under s. 1001.44 or a charter  
139 technical career center; or any graduate student enrolled at a  
140 state university.

141 (3) For taxable years beginning on or after January 1,  
142 2022, a qualified business is eligible for a credit against the  
143 tax imposed by this chapter in the amount of \$2,000 per student  
144 intern if all of the following apply:

145 (a) The qualified business employed at least one student

593-02731-21

2021258c1

146 intern in an internship in which the student intern worked full  
147 time in this state for at least 9 consecutive weeks, and the  
148 qualified business provides the department documentation  
149 evidencing each internship claimed.

150 (b) The qualified business provides the department  
151 documentation for the current taxable year showing that at least  
152 20 percent of the business' full-time employees were previously  
153 employed by that business as student interns.

154 (c) At the start of an internship, each student intern  
155 provides the qualified business with verification by the student  
156 intern's state university, Florida College System institution,  
157 career center operated by a school district under s. 1001.44, or  
158 charter technical career center that the student intern is  
159 enrolled and maintains a minimum grade point average of 2.0 on a  
160 4.0 scale.

161 (4) Notwithstanding paragraph (3)(b), a qualified business  
162 that, on average for the 3 immediately preceding years, employed  
163 10 or fewer full-time employees may receive the tax credit if it  
164 provides documentation that it previously hired at least one  
165 student intern and, for the current taxable year, that it  
166 employs on a full-time basis at least one employee who was  
167 previously employed by that qualified business as a student  
168 intern.

169 (5) A qualified business may not claim a tax credit of more  
170 than \$10,000 in any one taxable year.

171 (6) The department may adopt rules governing the manner and  
172 form of applications for the tax credit and establishing  
173 qualification requirements for the tax credit.

174 (7) A qualified business may carry forward any unused

593-02731-21

2021258c1

175 portion of a tax credit under this section for up to 2 taxable  
176 years.

177 Section 4. (1) The Department of Revenue is authorized, and  
178 all conditions are deemed met, to adopt emergency rules pursuant  
179 to s. 120.54(4), Florida Statutes, for the purpose of  
180 administering this act.

181 (2) Notwithstanding any other law, emergency rules adopted  
182 pursuant to subsection (1) are effective for 6 months after  
183 adoption and may be renewed during the pendency of procedures to  
184 adopt permanent rules addressing the subject of the emergency  
185 rules.

186 (3) This section shall take effect upon this act becoming a  
187 law and expires July 1, 2022.

188 Section 5. Except as otherwise expressly provided in this  
189 act and except for this section, which shall take effect upon  
190 this act becoming a law, this act shall take effect July 1,  
191 2021.