

TIP 98C1-04

DATE ISSUED: Jul 10, 1998

**CORPORATE INCOME TAX AND FRANCHISE TAX AND
INTANGIBLE PERSONAL PROPERTY TAX CREDIT FOR
CLEAN-UP/REHABILITATION COSTS INCURRED
ON OR AFTER JULY 1, 1998**

The 1998 Florida Legislature created a corporate income tax (CIT) credit and an intangible personal property tax (IPPT) credit for taxpayers that voluntarily participate in the process of rehabilitating dry-cleaning solvent contaminated sites or brownfield sites. The legislation allows a credit of 35 percent of rehabilitation costs, with a maximum credit of \$250,000 per site per year. However, taxpayers receiving state funding for site rehabilitation are ineligible to receive this credit for costs incurred during the same time period that state administered site rehabilitation was underway. Eligible taxpayers may claim this credit against either their CIT or IPPT liability, but not both, for a given taxable year. Credits claimed against CIT must be taken in the order provided by statute and any unused credit may be carried forward up to 5 years and applied against future CIT/IPPT liabilities. (Total funding for this program was set at \$2 million per year.)

The original entity that obtained the credit, or a surviving or acquiring entity, may make one transfer of the unused credit to another entity. Also, a Florida municipality or county, although not subject to either the CIT or IPPT, that voluntarily rehabilitates a contaminated or brownfield site may receive a credit which can be transferred to a taxable entity.

Taxpayers claiming either the CIT or IPPT credit must submit to the Department of Revenue (DOR), a Department of Environmental Protection (DEP) tax credit certificate, along with other documents needed to support the taxpayer's tax credit claim as required by DOR rule. For information concerning credit certification by the DEP, please call the DEP Bureau of Waste

Cleanup at (850) 488-0190.

Any taxpayer receiving either a CIT or IPPT credit for costs associated with contaminated site rehabilitation is not eligible to also receive state funding for such activities.

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For more information call Tax Information Services, Monday - Friday, 8:00 a.m. to 5:00 p.m., ET, at 850-488-6800.

Hearing or speech impaired persons should call our TDD at 1-800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, PO Box 7443, Tallahassee, FL 32314-7443.

Also, visit our Web site at <http://sun6.dms.state.fl.us/dor/> for forms and other information.

Get tax forms quickly by FAX ON DEMAND. Call 850-922-3676, twenty-four hours a day, seven days a week using your fax machine handset and follow the instructions.

References:

Ch. 98-189, L.O.F.

s. 220.1845, F.S.

s. 199.1055, F.S.

s. 376.30781, F.S.