

TIP 98C1-01

DATE ISSUED: Jun 24, 1998

Changes To Enterprise Zone Program Incentives Jobs Credits

A credit is allowed to employers for new employees who are Job Training Partnership Act classroom training participants or Work and Gain Economic Self-sufficiency (WAGES) Program participants whether or not they reside in an enterprise zone. Documentation is required when applying for the credit for these two types of employees.

Enterprise Zone Jobs Credit Against Sales Tax

Effective June 30, 1998, businesses located in enterprise zones employing qualified Job Training Partnership Act classroom training participants and WAGES Program participants may qualify for the enterprise zone jobs credit against sales tax. These employees are not required to reside in an enterprise zone, but must meet all other program criteria for this credit. When applying for the enterprise zone jobs credit, employers must submit documentation supporting employee participation in these programs.

Enterprise Zone Jobs Credit Against Corporate Income Tax

Effective June 30, 1998, corporations located in enterprise zones employing qualified Job Training Partnership Act classroom training participants and WAGES Program participants may qualify for the enterprise zone jobs credit against corporate income tax. These employees are not required to reside in an enterprise zone, but must meet all other program criteria for this credit. When applying for the enterprise zone jobs credit, employers must submit documentation supporting employee participation in these programs.

Employee Eligibility For Enterprise Zone Net Ban Communities

Effective July 1, 1998, when determining eligibility for the enterprise zone jobs credit, businesses within net ban communities may include new employees who are residents of the county in which the net ban community is located. Eligible employees are no longer limited only to those employees who reside within the geographical borders of the net ban community.

Sales Tax Exemption For Business Property Used In An Enterprise Zone - Net Ban Communities

Effective July 1, 1998, the sales tax exemption for business property used in a net ban community has been expanded to include eligible equipment used on licensed commercial fishing vessels, fishing guide boats, and ecotourism guide boats. This exemption does not apply to purchases of vessels or boats. Vessels that leave the net ban community must leave from and return to a fixed location within that net ban community.

This exemption is available through a refund of previously paid taxes. Contact the Enterprise Zone Coordinator in the appropriate net ban community for information, forms, and instructions on this Enterprise Zone Program incentive.

Other Enterprise Zone Incentives

Effective July 1, 1998, the 20% employment requirement for net ban communities may include eligible employees residing in the county in which the net ban community is located, even if the employees reside outside the geographical boundaries of the net ban community for the following enterprise zone program incentives:

- * Sales Tax Exemption for Building Materials Used in an Enterprise Zone;
- * Sales Tax Exemption for Business Property Used in an Enterprise Zone;
- * Sales Tax Exemption for Electrical Energy Used in an Enterprise Zone; and,

- * The Enterprise Zone Property Tax Credit Against Corporate Income Tax.

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:

ss. 20, 21, and 22, Ch. 98-57, L.O.F.

ss. 2 and 3, Ch. 98-220, L.O.F.