

TIP 98C1-06
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**CORPORATE INCOME TAX CREDIT FOR CAPITAL INVESTMENT
AVAILABLE BEGINNING JULY 1, 1998**

Eligibility

A capital investment tax credit is available to qualified businesses, beginning July 1, 1998, for investments in new or expanding facilities in Florida.

Enterprise Florida, Inc., should be contacted to determine eligibility as a qualified high-impact business prior to expanding or locating a facility in Florida.

The cumulative investment in the state must be at least \$25 million, and the business must create and maintain a minimum of 100 new full time jobs.

Certification for and Application of the Credit

A corporate income tax credit of 100 percent of the "eligible capital costs" may be applied in annual amounts equal to five percent of the total "eligible capital costs" over a 20 year period. Credit is available on an annual basis and cannot be carried forward or backward. The credit becomes available after the Governor's Office of Tourism, Trade and Economic Development (OTTED) certifies that "eligible capital costs" and employment criteria have been met.

The annual credit shall not exceed the following percentages of the annual corporate income tax liability generated by the project:

- * 100% for a qualifying project which results in a cumulative capital investment of at least \$100 million.
- * 75% for a qualifying project which results in a cumulative

capital investment of at least \$50 million, but less than \$100 million.

- * 50% for a qualifying project which results in a cumulative capital investment of at least \$25 million, but less than \$50 million.
- * If the cumulative capital investment is less than \$25 million, the project will not be eligible for the annual tax credit.

For information on how to qualify as a high-impact business, contact Crystal Sircy of Enterprise Florida, Inc., at (850) 488-6300.

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:

s. 220.191, F.S.

