COMMUNITY CONTRIBUTION
TAX CREDIT PROGRAM

QUESTIONS FROM AUDIENCE
MARKETING SURVEY
QUICK OVERVIEW

- State tax credit program
- Encourages private donations to housing and community development projects
- $21.9 million tax credits: 2014 and 2015
- 121 approved sponsors
- DEO processes sponsor applications and tax credit applications
- Expiration Date: June 30, 2016
PROGRAM HISTORY

• Established by Florida Legislature: 1980

• Administrative Responsibilities:
  1980 – 1994 Department of Community Affairs
  1995 – 1996 Department of Commerce
  1996 – 2011 Governor’s Office
  2011 - Department of Economic Opportunity

• Expiration Date: June 30, 2016
TAX CREDIT ALLOCATIONS
MILLION DOLLARS
FY 2014/15 & FY 2015/16
TAX CREDIT ALLOCATIONS

• Homeownership Projects for low-income persons:
  $18.4 million

• All Other Projects:
  $3.5 million \(\text{(subject to Pro-Rata)}\)

Nine Year Average Pro-Rata Approval Rate: 87%
TAX BENEFITS

• A tax credit of up to 50% of the value of the donation against:
  • Florida Corporate Income Tax; or
  • Florida Insurance Premium Tax
• A sales tax refund of up to 50% of the value of the donation for donors collecting and remitting Florida Sales Taxes to DOR (based on prior 12-month remittance amount)
ELIGIBLE DONATIONS

- Cash or other liquid assets; or
- Real Property; or
- Goods or inventory

Tax credits based on the “fair market value” of the donated goods or real property
ELIGIBLE SPONSORS

A. Nonprofit community-based development organization whose mission is:
   1. Providing Housing to Low-Income Persons
   2. Increasing Entrepreneurial Opportunities for Low-Income Persons
   3. Increasing Job-Development Opportunities for Low-Income Persons

B. Community Action Programs
C. Neighborhood Housing Services Corporations
D. Local Housing Authorities
E. Community Redevelopment Agencies
F. Enterprise Zone Development Agencies
G. Units of Local Government
H. Units of State Government
ELIGIBLE PROJECTS

• Construct, improve or rehabilitate housing that is affordable to low-income persons; or
• Provide commercial, industrial, or public resources and facilities; or
• Improve entrepreneurial or job-development opportunities for low-income persons.
• Non-housing projects are required to be located within an Enterprise Zone or Front Porch Florida Community
PROPOSED PROJECT OUTLINE

ORGANIZATIONAL REQUIREMENTS:

- Articles of Incorporation
- By-laws
- Division of Corporation’s Registration Certificate
- IRS 501(c)3 Designation Letter
- Current FDACS’ Solicitation of Contributions Act Registration Letter
PROPOSED PROJECT OUTLINE

PROJECT NARRATIVE:

- Describes the eligible project
- Lists the types of donations sought
- Identifies the uses for donations
- Estimates the total project cost
- Estimates the number of jobs (if applicable)
- Estimates the completion date of the project
PROPOSED PROJECT OUTLINE

LOCAL REQUIREMENTS

• Non-housing Projects must be located within an Enterprise Zone or Front Porch Florida Community (Location Verification Required)

• Housing Projects for low-income persons may be located anywhere in Florida

• Local Government Resolution:
  Certifies the proposed project is consistent with local plans and regulations (including local comprehensive plans)
COMMUNITY CONTRIBUTION
TAX CREDIT PROGRAM

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