

Enterprise FLORIDA, Inc.

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PARTNER INFORMATION

QUALIFIED TARGET INDUSTRY TAX REFUND

The **Qualified Target Industry (QTI) Tax Refund** is a tool available to Florida communities to encourage quality job growth in targeted high value-added businesses.

Pre-approved applicants who create jobs in Florida receive tax refunds of \$3,000 per new job created; \$6,000 in an Enterprise Zone or Rural County. For businesses paying 150 percent of the average annual wage, add \$1,000 per job; for businesses paying 200 percent of the average annual salary, add \$2,000 per job. New or expanding businesses in selected targeted industries or corporate headquarters are eligible.

If approved, the applicant may receive refunds on the taxes it pays. This includes corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. There is a cap of \$5 million per single qualified applicant in all years, and no more than 25 percent of the total refund approved may be taken in any single fiscal year.

ELIGIBILITY

In order to participate, a company must apply to Enterprise Florida ***prior to making a decision*** to locate or expand in Florida.¹ In order to qualify for consideration under the program, an applicant must:

- Be in a target industry (see attached Target Industries List).
- Demonstrate that the tax refund is necessary for the business to locate or expand in the community.
- Create at least 10 new Florida jobs and; if an expansion project, increase employment by at least 10 percent (whichever is greater). For a project located in a rural community or an enterprise zone, the net increase in employment may be waived in special circumstances.
- Pay an average annual wage that is at least 115 percent of the state, metropolitan statistical area (MSA), or the local average wages. For a project located in a rural county, rural community or an enterprise zone, the wage requirement may be waived in special circumstances.
- Show that the jobs make a significant economic contribution to the area economy and;
- Provide a resolution from the city or county commission recommending the applicant for the incentive and committing the community to provide a local match equaling 20 percent of the tax refund. If located in a Rural County, the business may elect to be exempt from the local match and accept a refund equal to 80 percent of the refund for which they would otherwise qualify.

¹ All final decisions on applications are based upon all available information at that time. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to final QTI approval (and not made contingent upon QTI approval) will likely be grounds for disapproval. Projects, which clearly do not require inducement, will not be approved.

APPLICATION PROCESS

- EFI staff will shepherd businesses and communities through the entire application process, ensuring that the company and community understand what is required for a complete, effective application.
- Enterprise Florida reports its evaluation of the application and recommendation to the Director of OTTED who makes the final decision on the project. While the law allows a maximum of 45 days to evaluate the completed application, EFI makes every effort to expedite the process to meet the applicant's schedule.

APPROVAL PROCESS

- OTTED's approval or disapproval of the application is in the form of a final order.
- If the application is approved, the final order will indicate the amount and schedule of tax refunds approved, as well as the number of jobs and average wage rate for the project jobs. These must be the same as stated in the application.
- While the law allows a maximum of 30 days to evaluate the completed application, OTTED makes every effort to expedite the process to meet the applicant's schedule.
- Once the QTI application is approved, the business will begin working directly with OTTED to finalize the tax refund agreement. Within 30 days of issuance of the final order, the QTI business and the Director of OTTED must sign a written tax refund agreement.

REFUND PROCESS

- The business submits a claim each year for the scheduled tax refund and the community must pay its local match into the Economic Development Trust Fund.
- If all the terms of the tax refund agreement are met, then OTTED pays the refund.

StatutoryReference: Section 288.106, Florida Statutes

QUALIFIED TARGET INDUSTRY (QTI) TAX REFUND TARGET INDUSTRIES

(Effective November 1, 2001)

Only businesses serving multi-state and/or international markets are targeted. Business must be able to locate in other states. Retail activities, utilities, mining and other extraction or processing businesses, and activities regulated by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation are statutorily excluded from consideration.

MANUFACTURING FACILITIES

Chemical Manufacturing
Pharmaceutical Manufacturing
Plastics & Rubber Products Manufacturing
Computer & Electronic Product Mfg
Computer & Electronic Component Mfg
Electromedical Apparatus Mfg
Irradiation Apparatus Mfg
Laser Manufacturing
Optoelectronics Manufacturing
Reproducing Magnetic & Optical Media Mfg
Semiconductor Manufacturing
Software Reproducing
Transportation Equipment Manufacturing
Aviation & Aerospace Manufacturing
Machinery Manufacturing
Electronic Flight Simulator Manufacturing
Instruments for Measuring & Testing Electricity
Lens Manufacturing
Optical Instruments Manufacturing
Power Distribution, Generation & Technology
Electrical Equipment Manufacturing
Appliance Component Manufacturing
Fiber Optic Cable Manufacturing
Miscellaneous Manufacturing
Surgical & Medical Instrument Manufacturing
Food & Beverage Products Manufacturing
Textile Mills & Apparel Manufacturing
Wood & Paper Product Manufacturing
Printing & Related Support Activities
Metal Manufacturing
Furniture & Related Products Manufacturing

FINANCE & INSURANCE SERVICES

Nondepository Credit Institutions
Credit Intermediation & Related Activities
Securities, Commodity Contracts
Insurance Carriers
Funds, Trusts & Other Financial Vehicles

WHOLESALE TRADE

Business-to-Business Electronic Marketing

INFORMATION INDUSTRIES

Sound Recording Industries
Integrated Record Production/Distribution
Film, Video & Electronic Media
Production (Excluding temporary "on location" filming)
Postproduction Services
Information Services & Data Processing
Internet Service Providers, Web Search Portals
Data Processing Services
On-line information Services
Publishing Industries
Software Publishing
Music Publishing
Telecommunications
Satellite Communications

PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES

Professional, Scientific & Technical
Computer Programming / Software Development
Computer System Design
Management, Scientific & Tech Services
Research and Development
Scientific and Technical Consulting Services
Simulation Training
Testing Laboratories

MANAGEMENT SERVICES

Management Services
National, International & Regional Headquarters
Offices of Bank Holding Companies

ADMINISTRATIVE & SUPPORT SERVICES

Customer Care Centers
Telephonic & On-line Business Services
Customer Support
Transaction Processing
Technical Support
Credit Bureaus

* *Those industries in italics are examples of the subsections*