

Amendments to Florida Statute 196.1995 Since 2010 – Economic Development Ad Valorem Tax Exemption

Chapter	Change
2011-182	Revised and modified the definition of “New Business” and “Expansion of an existing business” to include qualifying “Organizations”
	Provides that any new jobs created by an eligible business or organization must pay a wage above the average wage of the locality
	Expanded eligibility to include Qualified Target Industry businesses
	Prescribes criteria for counties or municipalities to consider when reviewing applications for exemption.
	Authorizes the board of county commissioners or a municipal governing authority to enter into a written tax agreement with approved applicants. The written tax agreement may contain performance criteria and an option to revoke the exemption if the applicant fails to meet expectations established s. 196.1995(8), F.S. However, the written agreement must require the applicant to report, before the exemption expires, the number of full-time jobs created and the average wage of such jobs.
	Provides that counties can authorize these new qualifications for exemptions pursuant to a voter approved referendum held after July 1, 2011
	Established several accountability measures, including authorizing local governments to establish binding contracts with approved applicants that set the terms for qualifying and maintaining an exemption
	Revised the statutorily required ballot questions in s. 196.1995(2-3), F.S., to clarify to the voter that any exemptions issued under s. 1996.1995, F.S., are expected to create new, full-time jobs, in the county, municipality, or both.
	Established minimum economic criteria that must be considered by the board of county commissioners or a municipal governing authority to before issuing an exemption. In general, the minimum economic criteria are the following: <ol style="list-style-type: none"> 1. The total number of net new jobs created by the applicant; 2. The average wage of the new jobs; 3. Capital investment made by the applicant; 4. Whether the business or operation qualifies as an industry targeted by the locality; 5. The environmental impact of the proposed business or operation; 6. Extent to which the applicant intends to source supplies and materials from the local area; and 7. Any other economic-related characteristics or criteria deemed to be necessary by the county or municipality.
Clarified that an exemption may not to exceed ten years, as expressed in the local ordinance granting an exemption	
2014-40	Clarified qualifying for the tax exemption requires improvements to be made after approval by motion or resolution of the local governing body, subject to ordinance adoption or on or after the day the ordinance is adopted.
2016-184	Updated a cross reference to the Florida Statute for the definition of a “Brownfield area”
2016-220	Amendments to recognize the discontinuance of the Florida Enterprise Zone Program but the continuance of tax abatements granted to businesses or organizations in an Enterprise Zone prior to December 30, 2015.
	Specific amendments for data centers allowing all equipment for data centers to be exempt from ad valorem taxation from the local government for the term of the approved exemption of up to 20 years (except for certain exclusions such as taxes for bonds).