

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
---	--	--	--	--	--


Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

* The fiscal impact associated with this item is indeterminable at this time. Tax Exemptions will depend on the number of applications, number and value of projects.

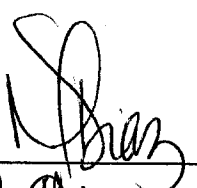
C. Departmental Fiscal Review:



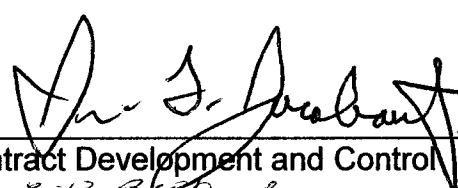
 Shairrette Major, Fiscal Manager I
 10/3/13

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:




 OFMB *KW* *10/4*
 10/4



 Contract Development and Control
 10-8-13 *B. Wheeler*

B. Legal Sufficiency:



 Senior Assistant County Attorney
 10/8/13

C. Other Department Review:

 Department Director

ORDINANCE NO. 2013-_____

1
2
3 AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF
4 PALM BEACH COUNTY, FLORIDA, ESTABLISHING AN EXEMPTION
5 FROM CERTAIN AD VALOREM TAXATION FOR CERTAIN NEW AND
6 EXPANDING BUSINESS PROPERTIES TO ENCOURAGE ECONOMIC
7 DEVELOPMENT IN THE COUNTY; PROVIDING FOR TITLE,
8 PROVIDING FOR ENACTMENT AUTHORITY; PROVIDING FOR
9 INTENT AND DECLARATION; PROVIDING FOR DEFINITION OF
10 TERMS; PROVIDING FOR AN APPROVAL PROCESS APPLICATION
11 FOR EXEMPTION; PROVIDING FOR APPLICATION
12 CONSIDERATION; PROVIDING FOR APPLICATION FEES;
13 PROVIDING FOR REVOCATION OF EXEMPTION/RECOVERY OF
14 FUNDS; PROVIDING FOR APPEALS; PROVIDING FOR
15 APPLICABILITY; PROVIDING FOR INCLUSION IN THE CODE OF
16 LAWS AND ORDINANCES; PROVIDING FOR SEVERABILITY;
17 PROVIDING FOR REPEAL OF LAWS IN CONFLICT; AND PROVIDING
18 FOR AN EFFECTIVE DATE.
19

20 **WHEREAS**, the Board of County Commissioners believes that local government should support
21 economic growth by providing an incentive for employment opportunities that will lead to the improvement
22 of the quality of life of the residents of Palm Beach County and the positive expansion of the economy;
23 and

24 **WHEREAS**, to this end, the Board of County Commissioners desires to offer ad valorem tax
25 exemptions to new businesses relocating to Palm Beach County and to expansions of businesses
26 already situated in Palm Beach County; and

27 **WHEREAS**, the granting of ad valorem tax exemptions to businesses will provide Palm Beach
28 County with an additional economic development incentive which will enhance the ability of Palm Beach
29 County to be competitive when trying to encourage new business development in Palm Beach County
30 and retain local businesses with planned expansions; and

31 **WHEREAS**, such exemptions are authorized pursuant to Article VII, Section 3, of the Constitution
32 of the State of Florida and Section 196.1995, Florida Statutes, upon the successful passage of a
33 referendum; and

34 **WHEREAS**, the electors of Palm Beach County desire to authorize the offering of ad valorem tax
35 exemptions as evidenced by the successful passage of a referendum held on this issue on, November 6,
36 2012.

37 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF**
38 **PALM BEACH COUNTY, FLORIDA, that:**

39 **SECTION 1. Title**

40 This Ordinance shall be known as the "Economic Development Ad Valorem Tax Exemption
41 Ordinance of Palm Beach County, Florida."

42 **SECTION 2. Enactment Authority**

43 Article VII, Section 3, of the Constitution of the State of Florida and Section 196.1995, Florida
44 Statutes, empowers the County to grant economic development ad valorem tax exemptions after the
45 electors of the County, voting on the question in a referendum, authorize such exemptions. In a
46 referendum held on November 6, 2012, the voters of Palm Beach County authorized the Board of County

1 Commissioners to grant economic development ad valorem tax exemptions.

2 **SECTION 3. Intent and Declaration**

3 It is the intent of the Board of County Commissioners of Palm Beach County (hereinafter the
4 "Board") in enacting this Ordinance to provide an incentive to those new or expanded businesses which
5 make a positive contribution to the economy of Palm Beach County in terms of new jobs and
6 improvements to real and personal property.

7 The intent of the Board is to promote the economy by creating jobs in Palm Beach County in such
8 a way so as not to disadvantage existing businesses while recognizing that productive competition assists
9 in economic growth.

10 The Board desires to provide incentives to businesses of diverse industries, with the exception of
11 retail operations, having a positive impact on the economy of Palm Beach County. The Board declares
12 that the provision of ad valorem tax exemptions pursuant to this Ordinance serves the public purpose of
13 fostering economic growth in Palm Beach County, all to the benefit of Palm Beach County's residents and
14 business owners. This Ordinance shall expire on August 31, 2024.

15 **SECTION 4. Definition of Terms**

16 For the purpose of this Ordinance, Terms are defined in accordance with 196.012, Florida
17 Statutes unless defined below. Where a conflict exists between the Ordinance and the Statute, the
18 Statute shall prevail.

- 19 A. Applicant - Any person, firm, partnership, or corporation who files an application with the Board
20 seeking an economic development ad valorem tax exemption.
- 21 B. Board - The Board of County Commissioners of Palm Beach County.
- 22 C. Business - Any activity engaged in by any person, firm, partnership, corporation, or other
23 business organization or entity, with the object of private or public gain, benefit, or advantage,
24 either direct or indirect.
- 25 D. Department - The Florida Department of Revenue.
- 26 E. Enterprise Zone - As defined in 196.012, Florida Statutes.
- 27 F. Expansion of an Existing Business - As defined in 196.012, Florida Statutes.
- 28 G. Goods - All personalty when purchased primarily for personal, family, or household use, but not
29 including personalty sold for commercial or industrial use.
- 30 H. New Business - As defined in Section 196.012.
- 31 I. Retail Operation - A business regularly engaged in, and whose business consists to a substantial
32 extent of, selling goods to a buyer, not principally for the purpose of resale.
- 33 J. Sales Factor - As primarily defined in Section 220.15(5), Florida Statutes.

34 **SECTION 5. Economic Development Ad Valorem Tax Exemption Established**

- 35 A. Establishment - There is herein established an Economic Development Ad Valorem Tax
36 Exemption (hereinafter the "exemption"). The exemption is a local option tax incentive for new or
37 expanding businesses which may be granted or refused at the sole discretion of the Board.

- 1 B. Taxes Applicable - The exemption applies only to taxes levied by Palm Beach County. The
2 exemption does not apply to taxes levied by a municipality, school district, or water management
3 district, or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors
4 pursuant to Section 9 and Section 12, Article VII of the State Constitution.
- 5 C. Exemption Period - The exemption may be for a period up to ten (10) years from the date the
6 Board adopts the ordinance granting the exemption.
- 7 D. Eligibility - The ability for an applicant to be eligible for an exemption under this Program is
8 defined in Title XIV – Taxation and Finance, Chapter 196 – Exemption, Florida Statutes and
9 applies to new businesses locating in Palm Beach County and to expansions of existing
10 businesses presently located in Palm Beach County.
- 11 E. Land - No exemption shall be granted for the land upon which new or expanded businesses are
12 to be located.

13 **SECTION 6. Approval Process Application for Exemption**

- 14 A. Conceptual Application - A Conceptual Application (Exhibit "A") may be applied for through the
15 Palm Beach County Department of Economic Sustainability prior to commencement of
16 improvements, but is not required. A review of the application will be conducted to determine
17 conceptual compliance with s.196.1995 Economic Development Ad Valorem Tax Exemption,
18 Florida Statutes. Any projects to be recommended for conceptual approval shall be placed on the
19 Board's agenda to establish conceptual support for the application and the maximum exemption
20 amounts only.
- 21 B. Formal Application - A Formal Application (Exhibit "B") for Ad Valorem Tax Exemption must be
22 applied for through the Palm Beach County Department of Economic Sustainability, by March 1st
23 in the year that the exemption is desired to take effect and the applicant shall file an annual report
24 every year thereafter for the duration of the exemption on the application entitled "Economic
25 Development Ad Valorem Property Tax Exemption, Chapter 196.1995, Florida Statutes Form
26 418". This application will be reviewed by the Palm Beach County Property Appraiser prior to
27 consideration by the Board. The application shall request that the Board adopt an ordinance
28 granting the applicant the exemption and shall include the information required by Florida Statute
29 Section 196.1995.
- 30 C. Property Appraiser Review - Before the Board takes action on a Formal Application, the Board
31 shall deliver a copy of same to the Property Appraiser for review.
- 32 D. Community Redevelopment Agency - If a new business is locating to, or an expansion of an
33 existing business is occurring in, a community redevelopment area, the community
34 redevelopment agency overseeing such area shall be provided a copy of the application for
35 review and comment. Input from the community redevelopment agency will be considered in
36 deciding whether an application is to be granted. Should a community redevelopment agency
37 object to the grant of an exemption, the agency may submit said objection in the form of a duly

1 adopted resolution to the Board for its consideration.

2 E. Property Appraiser Report - The Property Appraiser's report shall include the following:

- 3 1. The total revenue available to the County for the current fiscal year from ad valorem tax
4 sources, or an estimate of such revenue if the actual total available revenue cannot be
5 determined;
- 6 2. The amount of revenue lost to the County for the current fiscal year by virtue of
7 exemptions previously granted, or an estimate of such revenue if the actual revenue lost
8 cannot be determined;
- 9 3. An estimate of the amount of revenue which would be lost to the County for the current
10 fiscal year if the exemption applied for was granted had the property for which the
11 exemption is requested otherwise been subject to taxation; and
- 12 4. A determination as to whether the property for which an exemption is requested is to be
13 incorporated into a new business or the expansion of an existing business, or into
14 neither, which determination the Property Appraiser shall also affix to the face of the
15 application. Upon request, the Department will provide the Property Appraiser such
16 information as it may have available to assist in making this determination.

17 F. Ordinance

- 18 1. After consideration of the Formal Application and the report of the Property Appraiser on
19 the application, the Board shall adopt an ordinance granting the exemption to a new or
20 expanding business.
- 21 2. Upon approval of a Formal Application for a tax exemption under this section, the Board
22 shall enter into a written tax exemption agreement, which shall include performance
23 criteria consistent with the Formal Application and state law, including a provision
24 regarding the authority to revoke, in whole or in part, the exemption if the applicant fails to
25 meet expectations and representation and such other provisions as deemed necessary
26 by the Board.

27 **SECTION 7. Board of County Commissioners Consideration of Application**

28 A. The granting of, or the denial of exemptions will be conducted on a rational, nonarbitrary,
29 nondiscriminatory basis by the Board, in furtherance of the economic development goals of Palm
30 Beach County. Any and all exemptions granted must result in an economic benefit to the County.

31 B. The granting of an exemption is contingent upon a finding that the business meets the criteria in
32 196.1995, Florida Statutes.

33 **SECTION 8. Application Fees**

34 A non-refundable fee in the amount of \$2,000.00 shall be charged for processing of the
35 conceptual application of an Economic Development Ad Valorem Tax Exemption Application and a
36 \$2,000.00 fee shall be charged for the processing of the formal application of an Economic Development
37 Ad Valorem Tax Exemption Application.

1 **SECTION 9. Revocation of Exemption/Recovery of Funds**

2 A. Board - Should any new business or expansion of an existing business fail to file the annual
3 report with the Board on or before **March 1st** of each year the exemption has been granted as
4 required in Sections 5. I.1. and 5.I.2., or fail to continue to meet the definition of a new business
5 or an expansion of an existing business, and/or fail to fulfill any other representation made to the
6 Board during the application process, including the creation and maintenance of the total number
7 of new jobs identified by a business in the formal application, the Board may adopt an ordinance
8 revoking the ad valorem tax exemption.

9 B. Revocation - The revocation of an ordinance may occur for a business that fails to fulfill its
10 obligations as provided for under the ordinance granting the business an exemption after the
11 expiration of this Ordinance on August 31, 2024. The effective date for revocation of the
12 exemption will be identified in the ordinance.

13 C. Notification - Upon revocation, the Board shall immediately notify the Property Appraiser.

14 D. Recover Taxes - For any year that taxes may have been exempted and the Board finds that the
15 business was not entitled to the exemption, such taxes may be recovered and the Property
16 Appraiser will assist the Board to recover any taxes exempted.

17 E. Property Appraiser - Should any new business or expansion of an existing business fail to file the
18 annual exemption renewal application with the Property Appraiser on or before **March 1st** of
19 each year the exemption has been granted as required in Sections 5. I.3. and in accordance with
20 Chapter 196.011(1)(a), Florida Statutes, or fail to continue to meet the definition of a new
21 business or an expansion of an existing business, the Property Appraiser may deny the
22 exemption in accordance with Chapter 196.193(5), Florida Statutes.

23 F. Reapply - Nothing herein shall prohibit a business from reapplying for an ad valorem tax
24 exemption pursuant to State law.

25 **SECTION 10. Appeals**

26 The decision of the Board not to grant an exemption to a particular business is subject only to
27 judicial review.

28 **SECTION 11. Applicability**

29 This Ordinance shall be applicable in all areas of Palm Beach County where Palm Beach County
30 is the taxing authority. For purposes of enforcement and revocation, this Ordinance shall survive the
31 expiration date of August 31, 2024.

32 **SECTION 12. Inclusion in the Code of Laws and Ordinances**

33 The provisions of this Ordinance shall become and be made a part of the Code of Laws and
34 Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered or
35 relettered to accomplish such, and the word "ordinance" may be changed to "section", "article", or any
36 other appropriate word.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

SECTION 13. Severability

If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any reason held by a Court to be unconstitutional, inoperative or void, such holding shall not affect the remainder of this Ordinance.

SECTION 14. Repeal of Laws in Conflict

All local ordinances in conflict with any provision of this Ordinance are hereby repealed to the extent of such conflict.

SECTION 15. Effective Date

The provisions of this Ordinance shall become effective on August 31, 2014 and upon filing with the Secretary of State.

APPROVED AND ADOPTED by the Board of County Commissioners of Palm Beach County, on the _____ day of _____, 2013.

ATTEST:
CLERK & COMPTROLLER
SHARON R. BOCK

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Steven L. Abrams, Mayor

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

By: _____
Senior Assistant County Attorney

EFFECTIVE DATE: Filed with the Department of State on the _____ day of _____, 2013.

2013 CONCEPTUAL APPLICATION

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION Chapter 196.1995, Florida Statutes

NOTICE

Application is to be filed with the Board of County Commissioners no later than March 1 of the year the exemption is desired to take effect.

An applicant applying for an exemption on Tangible Personal Property must fill out and submit the **Florida Department of Revenue form DR-405 (Tangible Personal Property Tax Return)**. Refer to Item 12 below.

If insufficient space is provided for a response, attachments may be enclosed.

1. BUSINESS NAME AND MAILING ADDRESS	
Business applicant legal name:	
Business street address in Palm Beach County:	
Business mailing address:	
Telephone:	Fax:
2. PROPERTY OWNER	
Full legal name of owner of this business:	Title:
Telephone:	Fax:
E-mail address:	
3. PERSON IN CHARGE OF THIS BUSINESS / CONTACT	
Name of employee to contact regarding this application:	Title:
Telephone:	Fax:
E-mail address:	
4. EXACT LOCATION	
Legal description of property for which this application is filed:	
Property control numbers:	
Street address of this property:	
5. COMMENCE OPERATIONS	
Date you began, or will begin, business activities at this facility:	
6. NEW OR EXPANSION BUSINESS (as defined in FL Statute 196.012)	7. REAL AND/OR TANGIBLE PERSONAL PROPERTY
Do you desire exemption as:	Do you desire exemption for:
<input type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business	<input type="checkbox"/> Real Property <input type="checkbox"/> Tangible Personal Property
8. TYPE OF BUSINESS	
Describe the type or nature of your business:	
9. TRADE LEVEL	
Check as many as apply below. Identify industry cluster (if applicable):	

If yes, attach a map to confirm property is inside CRA area.

CRA name is:

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct and complete to the best of my knowledge and belief, including any attached statements, schedules, etc. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

TAXPAYER - Owner Name and Title	PREPARER / AUTHORIZED AGENT - Name and Address
	Telephone
	Fax
SIGNATURE	E-mail
SIGNATURE	SIGNATURE
TYPE OR PRINT NAME	TYPE OR PRINT NAME
DATE	DATE

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION
Chapter 196. 1995, Florida Statutes

Business Name:

APPLICATION TO BE FILED NOT LATER THAN MARCH 1st

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION
Chapter 196.1995, Florida Statutes

DR-418
R. 12/99

To be filed with the Board of County Commissioners, the governing boards of the municipality, or both,
no later than March 1 of the year the exemption is desired to take effect.

1 Business name		Mailing address			
2 Please give name and telephone number of owner or person in charge of this business.					
Name		Telephone number			
3 Exact Location (Legal Description and Street Address) of Property for which this return is filed				4 Date you began, or will begin, business at this facility	
5 Description of the improvements to real property for which this exemption is requested				Date of commencement of construction of improvements	
6 Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased					APPRAISER'S USE ONLY
Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of Cond*	Fair Market Rent
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
Average value of inventory on hand:			*Condition: good, avg (average), or poor		
Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.					
7 Do you desire exemption as a <input type="checkbox"/> new business or <input type="checkbox"/> expansion of an existing business			9 Trade levels (check as many as apply)		
8 Describe type or nature of your business			<input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other, specify:		
10 Number of full-time employees to be employed in Florida					
If an expansion of an existing business:		Net increase in employment	%	Increase in productive output resulting from this expansion	%
11 Sales factor for the facility requesting exemption:					
Total sales in Florida from this facility-one (1) location only		divided by	Total sales everywhere from this facility-one (1) location only		= %
12 For office space owned and used by a corporation newly domiciled in Florida		Date of incorporation in Florida	Number of full-time employees at this location		
I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)					
Date		Signature, preparer			
Signature, taxpayer		Preparer's address			
Title		Preparer's telephone number			
Property Appraiser's Use Only					
I	Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources				\$
II	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section				\$
III	Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted and the property for which the exemption is requested would otherwise have been subject to taxation				\$
IV	Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted				
	Improvements to real property \$		Personal property \$		
V	I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a				
	<input type="checkbox"/> new business <input type="checkbox"/> expansion of an existing business <input type="checkbox"/> neither				
VI	Last year for which exemption may be applied				

Application to be filed not later than March 1

Date

Signature, Property Appraiser

Exhibit B

General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S.

The expansion must be on the same or a collocated site of the business current operations.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both.

After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner-granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

Statutory Definitions

Section 196.011 Annual application required for exemption —

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

Section 196.012(15) and (16), Florida Statutes (15) "New business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant;

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s.220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A new business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

(16) "Expansion of an existing business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible

personal property at a fixed location and which comprises an industrial or manufacturing plant; or

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site collocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone that increases operations on a site collocated with a commercial or industrial operation owned by the same business.

Section 196.1995 Economic development ad valorem tax exemption.-

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

Section 220.15(5), Florida Statutes.

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term "sales" means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer's business consists of leasing or renting real or tangible personal property; and

2. Royalty income is included in the term if a significant portion of the taxpayer's business consists of dealing in or with the production, exploration, or development of minerals.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower-member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trust, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;

2. Gross profits from trading in stocks, bonds, or other securities managed within this state;

3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;

4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;

5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer's agent to sell real or tangible personal property located in this state;

6. Rents from real or tangible personal property located in this state; or

7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an "includable corporation" under s. 1504(b) of the Internal Revenue code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.