

AGENDA
FLORIDA DEPARTMENT OF REVENUE

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MEMBERS

Governor Rick Scott
Attorney General Pam Bondi
Chief Financial Officer Jeff Atwater
Commissioner Adam H. Putnam

February 7, 2017

Contacts: Debra J. Longman
Director of Legislative and Cabinet Services
(850) 617-8324

MaryAnn Murphy, Executive Asst. II
(850) 717-7138

9:00 A.M.
LL-03, The Capitol
Tallahassee, Florida

ITEM	SUBJECT	RECOMMENDATION
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1. Respectfully request approval of the minutes of the December 6, 2016 meeting.

(ATTACHMENT 1)	RECOMMEND APPROVAL
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2. Respectfully request approval to file and certify with the Secretary of State for final adoption under Chapter 120, Florida Statutes, Rule 12C-1.0196 – Research and Development Tax Credit, relating to General Tax Administration.

(ATTACHMENT 2)	RECOMMEND APPROVAL FOR FINAL ADOPTION
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3. Respectfully request approval to file and certify with the Secretary of State for final adoption under Chapter 120, Florida Statutes, rules relating to Property Tax Oversight.

Rule 12D-9.007 – Role of the Clerk of the Value Adjustment Board
Rule 12D-9.015 – Petition; Form and Filing Fee
Rule 12D-9.019 – Scheduling and Notice of Hearing

(ATTACHMENT 3)	RECOMMEND APPROVAL FOR FINAL ADOPTION
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4. Respectfully submit the Agency 2nd Quarter Performance Report for Fiscal Year 2016-2017.

(ATTACHMENT 4)	INFORMATION/DISCUSSION
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ATTACHMENT 1

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND
CABINET

_____ /

CABINET MEMBERS: GOVERNOR RICK SCOTT
ATTORNEY GENERAL PAM BONDI
CHIEF FINANCIAL OFFICER
JEFF ATWATER
COMMISSIONER OF AGRICULTURE
ADAM PUTNAM

DATE: TUESDAY, DECEMBER 6, 2016

LOCATION: CABINET MEETING ROOM
LOWER LEVEL, THE CAPITOL
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR
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* * * *

DEPARTMENT OF REVENUE

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3 GOVERNOR SCOTT: Next I'd like to recognize
4 Leon Biegalski with the Department of Revenue.

5 Good morning, Leon.

6 EXECUTIVE DIRECTOR BIEGALSKI: Good morning,
7 Governor Scott, Attorney General Bondi,
8 CFO Atwater, Commissioner Putnam.

9 We've got six agenda items for you today:
10 Item Number 1, the Department respectfully requests
11 approval of the minutes of the September 20th,
12 2016, and October --

13 COMMISSIONER PUTNAM: Move.

14 GOVERNOR SCOTT: Is there a second?

15 ATTORNEY GENERAL BONDI: Second.

16 GOVERNOR SCOTT: Comments or objections?

17 (NO RESPONSE).

18 GOVERNOR SCOTT: Hearing none, the motion
19 carries.

20 EXECUTIVE DIRECTOR BIEGALSKI: Item Number 2,
21 the Department respectfully requests approval to
22 file and certify with the Secretary of State for
23 final adoption under Chapter 120 rules related to
24 general tax administration.

25 The proposed rules revise language and forms

1 to reflect statutory changes enacted by the 2016
2 Legislature, update annual tax rates, and clarify
3 forms to improve readability.

4 GOVERNOR SCOTT: Let's do 2, 3, 4, and 5
5 altogether. Just go ahead and explain them and
6 we'll vote one time.

7 EXECUTIVE DIRECTOR BIEGALSKI: Well, how about
8 we do 2 and 3 together and then 3 and 4 together?

9 GOVERNOR SCOTT: Okay.

10 EXECUTIVE DIRECTOR BIEGALSKI: Two and 3 are
11 both --

12 COMMISSIONER PUTNAM: Final.

13 ATTORNEY GENERAL BONDI: Final.

14 GOVERNOR SCOTT: Yeah.

15 CFO ATWATER: So move.

16 COMMISSIONER PUTNAM: Second.

17 GOVERNOR SCOTT: Comments or objections?

18 (NO RESPONSE).

19 GOVERNOR SCOTT: Hearing none, the motion --
20 2 and 3 are passed.

21 ATTORNEY GENERAL BONDI: It's not like we
22 don't like you, Leon, just so you know.

23 GOVERNOR SCOTT: Okay. You're on to 4.

24 EXECUTIVE DIRECTOR BIEGALSKI: Works for me.

25 Okay. Number 4 and 5, the Department

1 respectfully requests approval and authority to
2 publish notice of proposed rules. One is related
3 to property tax oversight; the other one is related
4 to general tax.

5 COMMISSIONER PUTNAM: So move.

6 GOVERNOR SCOTT: Is there a second?

7 ATTORNEY GENERAL BONDI: Second.

8 GOVERNOR SCOTT: This is for 4 and 5.

9 Any comments or objections?

10 (NO RESPONSE).

11 GOVERNOR SCOTT: Hearing none, the motion
12 carries -- motions carry.

13 EXECUTIVE DIRECTOR BIEGALSKI: And our final
14 item is respectfully submitting our first quarter
15 performance report for '16/'17. We are meeting or
16 exceeding all of the measures.

17 GOVERNOR SCOTT: Motion to accept?

18 CFO ATWATER: So moved.

19 GOVERNOR SCOTT: Second?

20 ATTORNEY GENERAL BONDI: Second.

21 GOVERNOR SCOTT: Any comments or objections?

22 (NO RESPONSE).

23 GOVERNOR SCOTT: Hearing none, the motion
24 carries.

25 All right. Thanks, Leon.

1 EXECUTIVE DIRECTOR BIEGALSKI: Thank you.

2 GOVERNOR SCOTT: Leon, your team is doing a
3 good job. As I travel the state, I don't hear
4 people complaining about how DOR is treating
5 people. I mean you really have done a really good
6 job, so congratulations.

7 ATTORNEY GENERAL BONDI: Governor, it's funny
8 you said that, I was thinking the same thing. All
9 I'm hearing are just rave reviews from everyone
10 about you. Thank you so much.

11 EXECUTIVE DIRECTOR BIEGALSKI: Thank you, I
12 appreciate that, and I know that the team does,
13 too.

14 GOVERNOR SCOTT: You built a good team, so
15 thanks.

16 EXECUTIVE DIRECTOR BIEGALSKI: Thank you.

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ATTACHMENT 2



FLORIDA

Executive
Director
Leon M. Biegalski

February 7, 2017

MEMORANDUM

TO: The Honorable Rick Scott, Governor
Attention: Kristin Olson, Deputy Chief of Staff
Amanda Carey, Cabinet Aide

The Honorable Jeff Atwater, Chief Financial Officer
Attention: Robert Tornillo, Director of Cabinet Affairs
Stephanie Leeds, Deputy Director of Cabinet Affairs
Kimberly Renspie, Cabinet and Legislative Analyst

The Honorable Pam Bondi, Attorney General
Attention: Kent Perez, Associate Deputy Attorney General
Erin Sumpter, Deputy Director of Cabinet Affairs
Andrew Fay, Special Counsel

The Honorable Adam Putnam, Commissioner of Agriculture and Consumer
Services
Attention: Brooke McKnight, Director of Cabinet Affairs
Jessica Field, Deputy Director of Cabinet Affairs

THRU: Leon Biegalski, Executive Director

FROM: Debbie Longman, Director, Legislative and Cabinet Services

SUBJECT: Requesting Adoption and Approval to File and Certify Proposed Rule

Statement of Sections 120.54(3)(b) and 120.541, F.S. Impact: No impact.

The Department has reviewed the proposed rules for compliance with Sections 120.54(3)(b) and 120.541, F.S. The proposed rules will not likely have an adverse impact on small business, small counties, or small cities, and they are not likely to have an increased regulatory cost in excess of \$200,000 within 1 year. Additionally, the proposed rules are not likely to have an adverse impact or increased regulatory costs in excess of \$1,000,000 within 5 years.

Child Support – Ann Coffin, Director • General Tax Administration – Maria Johnson, Director
Property Tax Oversight – Dr. Maurice Gogarty, Director • Information Services – Damu Kuttikrishnan, Director

www.floridarevenue.com
Florida Department of Revenue
Tallahassee, Florida 32399-0100

What is the Department requesting? The Department requests final adoption of the proposed Rule 12C-1.0196, Research and Development Tax Credit, and approval to file and certify it with the Secretary of State under Chapter 120, F.S.

Why are the proposed rule changes necessary? These rule changes are necessary to incorporate current administrative procedures related to the Research and Development Tax Credit found in Section 220.196, F.S.

What does the proposed rule do?

The proposed changes to the rule clarify the application process for the Research and Development Tax Credit. Changes include:

- Clarifying the application process for eligible corporate partners,
- Providing guidance to businesses that have timely challenged a Department of Economic Opportunity (“DEO”) refusal to issue a certification letter,
- Clarifying the Department’s review and allocation process for applications which require appeal to DEO, and
- An explanation of the impact on the allocated credit amount when the credit applied for is understated or overstated.

Were comments received from external parties? No. A rule workshop was scheduled to be held on November 22, 2016, if requested in writing. No request was received and no workshop was held. On December 6, 2016, the Governor and Cabinet approved the Department’s request to publish a Notice of Proposed Rule and to conduct a rule hearing. A rule hearing was scheduled for January 10, 2017, if requested. No request was received to hold the scheduled rule hearing and no hearing was held. No written comments were received.

Attached are copies of:

- Summaries of the proposed rule, which includes:
 - Statement of facts and circumstances justifying the rule;
 - Federal comparison statement; and
 - Summaries of the workshops and hearings
- Rule text

STATE OF FLORIDA
DEPARTMENT OF REVENUE
CHAPTER 12C-1, FLORIDA ADMINISTRATIVE CODE
CORPORATE INCOME TAX
AMENDING RULE 12C-1.0196

SUMMARY OF PROPOSED RULE

The proposed amendments clarify application and allocation procedures related to the Research and Development Tax Credit in Rule 12C-1.0196, F.A.C.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

Section 21 of Chapter 2015-221, Laws of Florida, amended Section 220.196, F.S., relating to the research and development tax credit. A number of changes were made to Rule 12C-1.0196, F.A.C., after those statutory amendments went into effect last year. During the application period for the credit in 2016, the Department determined that additional clarification would help businesses seeking to apply for the credit. Accordingly, the proposed changes in this package clarify the application process for eligible corporate partners, provide guidance to businesses that have timely challenged a Department of Economic Opportunity (“DEO”) refusal to issue a certification letter, clarify the Department’s review and allocation process for applications which require appeal to DEO, and provide an explanation of the impact on the allocated credit amount when the credit applied for is understated or overstated.

FEDERAL COMPARISON STATEMENT

The provisions contained in these rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

NOVEMBER 22, 2016

A Notice of Proposed Rule Development was published in the Florida Administrative Register on November 8, 2016 (Vol. 42, No. 218, p. 4975), to advise the public of the proposed changes to Rule 12C-1.0196, F.A.C., and to provide that, if requested in writing, a rule development workshop would be held on November 22, 2016. No request was received by the Department and no workshop was held. No written comments were received by the Department.

SUMMARY OF PUBLIC HEARING

DECEMBER 6, 2016

The Governor and Cabinet, sitting as head of the Department of Revenue, met on December 6, 2016, and approved the publication of the Notice of Proposed Rule for changes to Rule 12C-1.0196, F.A.C. A notice for the public hearing was published in the Florida Administrative Register on November 29, 2016 (Vol. 42, No. 230, pp. 5317-5318).

SUMMARY OF RULE HEARING

JANUARY 10, 2017

A Notice of Proposed Rule was published in the Florida Administrative Register on December 20, 2016 (Vol. 42, No. 245, pp. 5658 – 5660) to advise the public of the proposed

changes to Rule 12C-1.0196, F.A.C., and to provide that, if requested, a rule hearing would be held on January 10, 2017. No request was received by the Department and no rule hearing was held. No written comments were received by the Department.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
CHAPTER 12C-1, FLORIDA ADMINISTRATIVE CODE
CORPORATE INCOME TAX
AMENDING RULE 12C-1.0196

12C-1.0196 Research and Development Tax Credit.

(1)(a)1. No change.

2. Businesses that are partnerships, limited liability companies taxed as partnerships, or disregarded single member limited liability companies, are not corporations under Section 220.03, F.S., and, therefore, may not apply for an allocation of credit. However, each partner of a partnership that is a corporation may apply separately for an allocation of credit based on the corporation's separate research expenses, including allocated partnership research expenses. For disregarded entities, the single member that is a corporation must apply separately for an allocation of credit based on the corporation's separate research expenses, including those of the disregarded single member limited liability company. For purposes of 26 U.S.C. s. 41, the research expenses are apportioned among the partners during the taxable year and are treated as paid or incurred directly by the partners rather than by the partnership. If the related federal corporate income tax credit for increasing research activities is not extended for a tax year, a qualified target industry business will not be permitted to take the Florida research and development tax credit.

(b) No change.

(c)1. The credit is available annually ~~for tax years beginning on or after January 1, 2012,~~ and is based upon qualified research expenses in Florida allowed under section 41 of the Internal Revenue Code (26 U.S.C. s. 41).

2. Example: Tax credit applications approved for the 2015 ~~2012~~ calendar year were based upon qualified research expenses incurred during calendar year 2015 ~~2012~~ for tax years that began in 2015 ~~2012~~.

(2)(a) through (b) No change.

(c) Businesses needing assistance with the Allocation for Research and Development Tax Credit for Florida Corporate Income/Franchise Tax may call the Department at 1(800)352-3671, Monday through Friday (excluding holidays), ~~8:00 a.m. to 7:00 p.m. (ET)~~. Persons with hearing or speech impairments may call the Florida Relay Service at 1(800)955-8770 (Voice) and 1(800)955-8771 (TTY).

(d) No change.

(e) Business enterprises that otherwise qualify and that have timely exercised their rights and challenged a Department of Economic Opportunity refusal to issue a certification letter may apply to the Department for an allocation of credit pursuant to this paragraph, but must include documentation of their protest. The Department will consider the credit application and reserve an amount of credit for that applicant as if a certification letter had been received.

1. Should the petitioner prevail and receive a certification letter, the Department will send the petitioner a letter indicating the amount of credit allocated.

2. Should the petitioner not prevail in its appeal, the Department will send the petitioner a letter to confirm that because no certification letter was received, no credit will be allocated to the petitioner.

3. After all appeals related to that year's allocation have been resolved by the Department of Economic Opportunity, the Department will recompute the original allocation for all approved applicants, without any reserve for denied applicants. To the extent a business enterprise's new allocation of credit is at least \$1 greater than the original allocation for that tax year, the Department will provide a new letter stating the updated allocation amount.

~~(e)~~(f) The ~~Within 10 working days of March 27,~~ the Department will notify eligible taxpayers by letter of the amount of credit that is allocated to them and the tax year in which the qualified target industry business may claim the credit on its Florida corporate income/franchise tax return.

(g) 1. Should the amount of credit requested by a business enterprise be determined to be overstated, the percentage of the original allocation provided by the Department will be applied to the lesser amount of credit that should have been requested. For example, Taxpayer A requested an allocation of credit for 2016 of \$800,000, and the Department prorated the request and issued a letter allocating Taxpayer A \$368,000 in research and development credit. Later, it was determined Taxpayer A should have only applied for an allocation of \$400,000 in credit because its qualifying Florida expenditures were less than originally computed. Taxpayer A is only entitled to a credit allocation of \$184,000 ($\$400,000 \times \$368,000 / \$800,000$).

2. If the amount of credit requested by a business enterprise is later determined to be understated, the taxpayer may not claim more credit on its Florida corporate income/franchise tax return than it was allocated by the Department because of the annual cap on credit allocations. For example, Taxpayer Z requested an allocation of credit for 2016 of \$700,000, and the Department prorated the request and issued a letter allocating Taxpayer Z \$322,000 in research and development tax credit. Later, Taxpayer Z determined its allocation request should

have been for \$950,000, because its qualifying Florida expenditures were more than originally computed. Taxpayer Z is limited to a Florida research and development credit of \$322,000 when it files its Florida corporate income/franchise tax return.

(h) Correspondence from the Department to credit applicants may be by electronic means.

~~(3) A corporation that has received a research credit against federal corporate income tax solely by virtue of its membership in a partnership that has earned a federal credit for increasing research activities may apply for the Florida research and development tax credit. For purposes of 26 U.S.C. s. 41, the research expenses are apportioned among the partners during the taxable year and are treated as paid or incurred directly by the partners rather than by the partnership.~~

~~(3)(4) No change.~~

~~(4)(5)(a) Any unused credits may be carried forward for up to five (5) tax years.~~

Carryover credits may be used in a subsequent year when the Florida corporate income/franchise tax for such year exceeds the credit for such year after applying the other credits and unused carryovers in the order provided in Section 220.02(8), F.S. ~~A taxpayer may not transfer or sell its credit or its right to apply for a credit to another taxpayer.~~

(b) No change.

~~(5)(6) No change.~~

~~(6)(7) No change.~~

(7) A taxpayer may not sell or transfer a credit. However, if all of the assets of the business are sold in a single transaction, the credit will transfer in the same manner that the federal tax benefits transfer.

Rulemaking Authority 213.06(1), 220.196(4), 220.51 FS. Law Implemented 220.196 FS.

History—New 3-12-14, Amended 1-11-16, _____.

ATTACHMENT 3



February 7, 2017

MEMORANDUM

TO: The Honorable Rick Scott, Governor
Attention: Kristin Olson, Deputy Chief of Staff
Amanda Carey, Cabinet Aide

The Honorable Jeff Atwater, Chief Financial Officer
Attention: Robert Tornillo, Director of Cabinet Affairs
Stephanie Leeds, Deputy Director of Cabinet Affairs
Kimberly Renspie, Cabinet and Legislative Analyst

The Honorable Pam Bondi, Attorney General
Attention: Kent Perez, Associate Deputy Attorney General
Erin Sumpter, Deputy Director of Cabinet Affairs
Andrew Fay, Special Counsel

The Honorable Adam Putnam, Commissioner of Agriculture and Consumer Services
Attention: Brooke McKnight, Director of Cabinet Affairs
Jessica Field, Deputy Cabinet Affairs Director

THROUGH: Leon Biegalski, Executive Director

FROM: Debbie Longman, Director, Legislative and Cabinet Services

SUBJECT: Request Adoption and Approval to File and Certify Proposed Rules

Statement of Sections 120.54(3)(b) and 120.541, F.S., Impact: No impact

The Department has reviewed these proposed amended rules for compliance with sections 120.54(3)(b) and 120.541, F.S. These proposed rules will not have an adverse impact on small businesses, small counties, or small cities and will not have an increased regulatory cost in excess of \$200,000 within one year. Additionally, they will not have an adverse impact or increased regulatory cost in excess of \$1,000,000 within five years.

Child Support – Ann Coffin, Director • General Tax Administration – Maria Johnson, Director
Property Tax Oversight – Dr. Maurice Gogarty, Director • Information Services – Damu Kuttikrishnan, Director

www.floridarevenue.com
Florida Department of Revenue
Tallahassee, Florida 32399-0100

What is the Department requesting?

The Department requests approval to file and certify with the Secretary of State for final adoption under Chapter 120, F.S., amendments to Rules in Chapter 12D-9, Requirements for Value Adjustment Board in Administrative Reviews; Uniform for Procedure for Hearings Before Value Adjustment Boards, F.A.C.

Why are the proposed rule amendments necessary?

The proposed amended rules are necessary to implement changes based on a review from the Joint Administrative Procedures Committee (JAPC). JAPC staff reviewed the rules during the promulgation process for the 2015 legislative changes to Chapter 12D-9, F.A.C., and identified rules that needed additional changes. The Department agreed and decided to separately amend those rules to address the staff's findings. The amendments remove outdated language and implement amended language in section 10 of Chapter 2016-128, section 2 of Chapter 2012-193, and section 8 of Chapter 2013-109, L.O.F.

What do the proposed amendments to these rules do?

Rule 12D-9.007, Role of the Clerk of the Value Adjustment Board, F.A.C.: The proposed amendment removes subsection (15), which does not meet the definition of a rule based on section 120.52(16), F.S.

Rule 12D-9.015(2)(e), Petition; Form and Filing Fee, F.A.C.: The proposed amendment removes the requirement of a check box for the petitioner to request a copy of the property record card on the petition forms. This amendment implements section 10 of Chapter 2016-128, L.O.F., which amended s. 194.032(2), F.S., and adds a statement that informs the petitioner of how they will receive a copy of the property record card. The rule conforms to the petition forms, DR-486 series.

Rule 12D-9.019(5), Scheduling and Notice of Hearing, F.A.C.: The proposed amendment in paragraph (a) continues to authorize the clerk to reschedule the hearing if the scheduled hearing does not begin on time and removes the requirement for the clerk to determine if good cause exists to reschedule a petition. Paragraph (b) removes the four-hour reasonable wait time amended in section 2 of Chapter 2012-193, L.O.F. This paragraph also allows the clerk to schedule hearings in a block of time based on section 8 of Chapter 2013-109, L.O.F., and redefines a petitioner's reasonable wait time to two hours after the scheduled time for the hearing to commence.

Were comments received from external parties?

A Notice of Rule Development was published on October 17, 2016 and a workshop was held on November 1, 2016. Several interested parties attended and a representative from the Miami-Dade Clerk's office discussed the removal of subsection (15) but did not provide any suggestions for new language or replacement language. The Department also received one written comment but did not make changes to the rules based on the comment. On December 6, 2016, the Governor and Cabinet approved the Department's request to publish a Notice of Proposed Rule and to conduct a rule hearing. A public hearing was held on January 10, 2017, interested parties participated but no comments were received.

Memorandum

Page 3

Were comments received from the staff of the Joint Administrative Procedures Committee?

No.

Attachments

- Summaries of the proposed rules
 - Statements of facts and circumstances justifying the rules
 - Federal comparison statement
 - Summaries of the workshops and hearings

- Rules text

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-9, FLORIDA ADMINISTRATIVE CODE
REQUIREMENTS FOR VALUE ADJUSTMENT BOARDS IN ADMINISTRATIVE
REVIEWS; UNIFORM RULES FOR PROCEDURE FOR HEARINGS BEFORE VALUE
ADJUSTMENT BOARDS
PROPOSED AMENDMENTS TO RULES 12D-9.007, 12D-9.015, AND 12D-9.019, F.A.C.

SUMMARY OF PROPOSED RULES

Proposed amendments will amend rules in Chapter 12D-9 for value adjustment board proceedings based on a Joint Administrative Procedures Committee (JAPC) staff review. The amendments to the rules include striking language because the section does not meet the definition of a rule; incorporating statutory changes to reflect amendments to s. 194.032(2), F.S., in section 10 of Chapter 2016-128, L.O.F, since property record cards are now available to taxpayers either by mail or online; and updating language to reflect changes made by Chapter 2013-109 and Chapter 2012-193, L.O.F., addressing scheduling and a petitioner's wait time at VAB hearings.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

In response to a Joint Administrative Procedures Committee (JAPC) staff review, the Department is amending the listed rules. The proposed amendment to Rule 12D-9.007, F.A.C., is to remove subsection (15), which does not meet the definition of a rule based on a JAPC staff

finding. The proposed amendment to Rule 12D-9.015(2)(e), F.A.C., is to implement s. 10 of Chapter 2016-128, L.O.F., which amended s. 194.032(2), F.S., removing the requirement of a check box for the petitioner to request a copy of the property record card on the petition forms. Section 194.032(2)(a), F.S., instructs the property appraiser, when he or she receives a petition from the clerk, to provide a copy of the property record card or notify the petitioner the property record card is available online. The purpose of the proposed amendment to Rule 12D-9.019(5)(b), F.A.C., is to implement s. 8 of chapter 2013-109 and s. 2 of chapter 2012-193, L.O.F., to add amended provisions from chapter 194, F.S., and remove outdated language. This amendment will allow the value adjustment board (VAB) to hear a petition within a block of time and limit the petitioner's wait time to two hours after the scheduled time for the hearing to commence. The effect of amending these rules is to have statutorily current procedures for VAB activities and proceedings available to all interested parties.

FEDERAL COMPARISON STATEMENT

The provisions contained in this proposed amended rule chapter do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP HELD NOVEMBER 1, 2016

A Notice of Development of Proposed Rules for amendments to Rules 12D-9.007, 12D-9.015(2)(e), and 12D-9.019(5) appeared in the Florida Administrative Register on October 17, 2016 (Vol. 42, No. 202, p. 4573). A rule development workshop was held on November 1, 2016. Interested parties were invited to attend in person and through a teleconference system. The public did not provide any suggestions or comments on the proposed amendments to the rules.

SUMMARY OF GOVERNOR AND CABINET MEETING HELD DECEMBER 6, 2016

The Governor and Cabinet, sitting as head of the Department of Revenue, met on December 6, 2016, and approved proposed revisions to rules in Chapter 12D-9 (Requirements for Value Adjustment Boards in Administrative Reviews; Uniform Rules for Procedure for Hearings Before Value Adjustment Boards). A notice for the public meeting was published in the F.A.R. on November 28, 2016 (Vol. 42, No. 229, pp. 5298-5299).

SUMMARY OF PUBLIC HEARING HELD JANUARY 10, 2017

A Notice of Proposed Rules for amendments to Rules 12D-9.007, 12D-9.015(2)(e), and 12D-9.019(5) appeared in the Florida Administrative Register on December 19, 2016 (Vol. 42, No. 244, pp. 5642 - 5644). A public hearing was held on January 10, 2017. Interested parties were invited to attend in person and through a teleconference system. No comments were presented at the hearing.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-9, FLORIDA ADMINISTRATIVE CODE
REQUIREMENTS FOR VALUE ADJUSTMENT BOARDS IN
ADMINISTRATIVE REVIEWS; UNIFORM RULES OF PROCEDURE
FOR HEARINGS BEFORE VALUE ADJUSTMENT BOARDS
AMENDING RULES 12D-9.007, 12D-9.015, AND 12D-9.019

12D-9.007 Role of the Clerk of the Value Adjustment Board.

(1) Through (14) No Change.

~~(15) The board clerk shall have such other duties as set forth elsewhere in these rules and Rule Chapter 12D-10, F.A.C., and in the Florida Statutes and as assigned by the board not inconsistent with law.~~

Rulemaking Authority 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS. Law Implemented 194.011, 194.013, 194.015, 194.032, 194.034, 194.035, 194.036, 195.022 FS. History—New 3-30-10, Amended 6-14-16, xx-xx-xx.

12D-9.015 Petition; Form and Filing Fee.

(1) No change.

(2) (a) Through (d) No change.

(e) Contain a statement that the petitioner has the right, regardless of whether the petitioner initiates the evidence exchange, to receive from the property appraiser a copy of the property record card containing information relevant to the computation of the current assessment, with

confidential information redacted, along with a statement that when the property appraiser receives the petition, the property appraiser will either send the property record card to the petitioner or notify the petitioner how to obtain the property record card online. Provide a check box for the petitioner to request a copy of the property record card;

(f) Through (h) No change.

(3) Through (14) No change.

Rulemaking Authority 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS. Law Implemented

193.155, 194.011, 194.013, 194.032, 194.034, 194.036, 195.022, 196.151, 197.2425 FS.

History—New 3-30-10, Amended 11-1-12, 6-14-16, xx-xx-xx.

12D-9.019 Scheduling and Notice of a Hearing.

(1) through (4) No change.

(5)(a) If a petitioner’s hearing does not commence as scheduled, the board clerk is authorized to reschedule the hearing. ~~determine good cause exists to reschedule a petition.~~

(b) In no event shall a petitioner be required to wait more than a reasonable time after from the scheduled time to be heard or, if the petition has been scheduled to be heard within a block of time, after the beginning of the block of time. ~~A reasonable time shall not exceed four hours.~~ The board clerk is authorized to find that a reasonable time has elapsed based on other commitments, appointments or hearings of the petitioner, lateness in the day, and other hearings waiting to be heard earlier than the petitioner’s hearing with the board or special magistrate. If his or her petition has not been heard within a reasonable time, the petitioner may request to be heard immediately. If the board clerk finds a reasonable time has elapsed and petitioner is not heard, the board clerk shall ~~find good cause is present and shall~~ reschedule the petitioner’s hearing. A reasonable time must not exceed two hours. After two hours, the petitioner has the right to

inform the board chairperson, or the clerk as board designee, that he or she intends to leave. If the petitioner chooses to leave, the petitioner must first inform the board chairperson or clerk that he or she intends to leave. The clerk must not list the petitioner as a no show. If the hearing does not commence within two hours and the petitioner leaves, the clerk must reschedule the hearing.

(c) A petitioner is not required to wait any length of time as a prerequisite to filing an action in circuit court.

(6) No change.

Rulemaking Authority 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS. Law Implemented 194.011, 194.015, 194.032, 194.034, 195.022 FS. History—New 3-30-10, Amended 9-26-11, 6-14-16, Section 15, Chapter 2016-128, Laws of Florida, 7-1-16, xx-xx-xx.

ATTACHMENT 4



Department of Revenue
2nd Quarter FY 2016-17
Objective Performance Measures
(October 1 – December 31, 2016)

State Fiscal Year (SFY 7/1 – 6/30)
Federal Fiscal Year (FFY 10/1 – 9/30)

	Objective	Weight	Range	Result	Score	Weighted Score
1	Average number of days from receipt of payment to deposit	10%	5 = Less than 1 4 = 1-2 days 3 = 3-4 days 2 = 5-6 days 1 = 7 days or more	< 1 day	5	.50
2	Percent of revenue distributions made timely	15%	5 = 98 -100% 4 = 95 - 97% 3 = 92 - 94% 2 = 90 - 92% 1 = 87-89%	100%	5	.75
3	Median number of days to process a refund	5%	5 = Less than 30 days 4 = 30-39 days 3 = 40-49 days 2 = 50-59 days 1 = 60 days or more	32 days	4	.20
4	Percent of IV-D cases with an order of support (FFY)	10%	5 = 90-100% 4 = 80-89% 3 = 70-79% 2 = 60-69% 1 = 50-59%	82.1%	4	.40
5	Percent of current support collected (FFY)	5%	5 = 80-100% 4 = 60-79% 3 = 40-59% 2 = 20-39% 1 = Less than 19%	63.4%	4	.20
6	Percent of support collected and distributed during the year that was due within the federal fiscal year (FFY)	10%	5 = 90-100% 4 = 80-89% 3 = 70-79% 2 = 60-69% 1 = 50-59%	78.7%	3	.30
7	Percent of State Distributions Unit collections disbursed within two business days of receipt (SFY)	10%	5 = 100% 4 = 99% 3 = 98% 2 = 97% 1 = 96%	99.2%	4	.40
8	Statewide Level of Assessment for real property	10%	5 = 90% and up 1 = 89.9% and below	94.8%	5	.50
9	Percent of training participants satisfied with services provided	5%	5 = 100% 4 = 99% 3 = 96-98% 2 = 93-95% 1 = 90-92%	98.5%	3	.15
Total		80%				3.40



Department of Revenue
2nd Quarter FY 2016-17
Objective Performance Measures
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Highlights



General Tax Administration

The Department of Revenue's first live webinar, developed in partnership with SCORE, was broadcast in early December. SCORE is a nonprofit association of volunteer business counselors supported by the U.S. Small Business Administration.

The webinar – Sales and Use Tax Basics: Foundation for Business Success – was announced using a variety of communications strategies, including emails to new businesses that recently completed a registration with the Department. Information was also shared on the Department's website and social media posts leading up to the webinar. Nearly 700 participants tuned in to the presentation and many actively engaged in the question and answer session at the end. Following the webinar, 400 survey participants confirmed they would like to receive information from the General Tax Administration (GTA) Program. GTA also answered 75 questions through email.

The live webinar was recorded and posted to SCORE's website. To inform the public, the Department also included a link to the recorded SCORE webinar on the Department's Taxpayer Education page at <http://floridarevenue.com/taxes/Pages/education.aspx>.