

DEPARTMENT OF REVENUE**Corporate, Estate and Intangible Tax**

RULE NO.: RULE TITLE:

12CER22-1 Internship Tax Credit Program

SUMMARY: Notice of Renewal of Emergency Rule 12CER22-1. This emergency rule provides the eligibility criteria for qualified businesses to request a tax credit, the application process for submitting the request, and when the tax credits can be taken against the tax imposed by Chapter 220, F.S.

THE PERSON TO BE CONTACTED REGARDING THE EMERGENCY RULE IS: Brinton Hevey, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone: (850)717-7754.

THE FULL TEXT OF THE EMERGENCY RULE IS:

12CER22-1 Internship Tax Credit Program.

(1) Definitions. For purpose of this rule, the following terms mean:

(a) "Department" means the Florida Department of Revenue.

(b) "Full time" means at least 30 hours per week.

(c) "Qualified business" means a business that is in existence and has been continuously operating for at least 3 years.

(d) "Student intern" means a person who has completed at least 60 credit hours at a state university or a Florida College System institution, regardless of whether the student intern receives course credit for the internship; a person who is enrolled in a career center operated by a school district under s. 1001.44 or a charter technical career center; or any graduate student enrolled at a state university.

(2) Available Tax Credits for Qualified Businesses. For taxable years beginning during the 2022 and 2023 calendar years, a student internship tax credit is available against the tax imposed by Chapter 220, F.S., and equal to \$2,000 per student intern, but no more than \$10,000 per taxable year.

(a) These tax credits are available on a first-come, first-served basis.

(b) The Department must approve the tax credit before the taxpayer can take the credit on a return.

(c) Qualified businesses may carry forward any unused portion of the tax credit for up to two taxable years.

(3) Eligibility.

(a) To be eligible to request a tax credit, a qualified business must employ at least one student intern full time during the 2022 or 2023 taxable year for at least 9 consecutive weeks, in addition to one of the following criteria:

1. Twenty percent or more of the business' current full-time employees were previously employed as student interns by the qualified business.

2. Employed, on average for the 3 immediately preceding taxable years, 10 or fewer full-time employees and previously hired at least one student intern during that time.

(b) Qualified businesses must provide documentation demonstrating that each student intern employed during the 2022 or 2023 taxable year is enrolled in an educational institution as stated in paragraph (1)(d) and maintains a minimum grade point average of 2.0 on a 4.0 scale, if applicable.

(4) Application process.

(a) To apply for available program credits, a taxpayer must submit a Florida Internship Tax Credit Program – Application for Tax Credit (Form F-1198, effective 03/22, hereby incorporated by reference, available on the Department's website at floridarevenue.com), along with documentation demonstrating that the business and student intern meet the criteria to receive tax credits.

(b) Following receipt of an application, the Department will send written correspondence regarding the amount of tax credit approved or providing the reason the tax credit application could not be approved, whether in whole or in part. The taxpayer may protest a denial pursuant to Sections 120.569 and 120.57, F.S. The Department will reserve the denied amount of the allocation for the taxpayer during the protest period.

Rulemaking Authority Section 51 of Chapter 2021-31, L.O.F. Law Implemented 220.198 FS. History–New 03-31-22.

The Department of Revenue ("Department") hereby provides notice of renewal of Emergency Rule 12CER22-1, Internship Tax Credit Program, as adopted on March 31, 2022, effective March 31, 2022, noticed in the Florida Administrative Register on April 1, 2022, (Vol. 48/64, pp. 1310-1311). The Legislature expressly authorized in Section 34 of Chapter 2021-31, L.O.F., the promulgation of an emergency rule by the Department to provide forms and instructions on this topic for a period of 6 months and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules. On August 24, 2022 (Vol. 48, No. 165, pp. 3413-3416), the Department published a Notice of Rule Development for Rule 12C-1.051, F.A.C., pursuant to Section 120.54(3)(a)1., Florida Statutes, which, if adopted, would establish a rule addressing the subject of Emergency Rule 12CER22-1. Therefore, pursuant to Section 120.54(4)(c)1., F.S., Emergency Rule 12CER22-1, F.A.C., is renewed.

THIS RULE TAKES EFFECT UPON BEING FILED WITH THE DEPARTMENT OF STATE UNLESS A LATER TIME AND DATE IS SPECIFIED IN THE RULE.
EFFECTIVE DATE: 10/01/2022

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