



Florida Department of Revenue
Tax Information Publication

TIP

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Florida Tax Credit Scholarship Program Changes

Carry Forward

Effective July 1, 2011, unused amounts of Scholarship Funding Tax Credits may now be carried forward for an additional two (2) years. The period to carry forward unused credits in section 1002.395(5)(c), Florida Statutes (F.S.), has been increased to five (5) years from the three (3) years previously allowed.

The Scholarship Funding Tax Credit against corporate income tax is the only credit that has been in effect for more than three years. Thus, corporate income taxpayers whose three-year carry forward period had not expired on July 1, 2011, have up to an additional two (2) years to carry forward the unused credits. Taxpayers must still apply for and receive approval to carry forward unused Scholarship Funding Tax Credits.

Example: an unused corporate income tax credit from tax year ending December 31, 2009, may now be carried forward to tax year ending December 31, 2014, instead of tax year ending December 31, 2012.

Rescindment (Return of Unused Credit Allocation)

Effective July 1, 2011, taxpayers are no longer restricted to just one (1) rescindment of an allocation of Scholarship Funding Tax Credit within three (3) tax years. Section 1002.395(5)(e), F.S., now allows taxpayers to request and receive approval for rescindment of any number of previous allocations of Scholarship Funding Tax Credits. Applications for rescindment must still be filed with the Department for approval and may be made online at www.myflorida.com/dor.

Corporate Income Tax and Insurance Premium Tax Credit Limitation

Effective for tax years ending on or after July 1, 2011, the limitation on the use of a credit to 75 percent of the tax due is eliminated for both corporate income tax and insurance premium tax. Sections 220.1875(1) and 624.51055(1), F.S., now allow corporate income tax and insurance premium tax taxpayers to take the credit against up to one hundred percent (100 %) of the corresponding tax due for the tax year. However, a credit claimed against the insurance premium tax still may not exceed the tax due under section 624.509(1), F.S., after deducting from such tax:

1. deductions for assessments made pursuant to section 440.51, F.S. (workers compensation administrative assessments);
2. credits for taxes paid under sections 175.101 and 185.08, F.S. (firefighters' and police officers' pension trust funds); and
3. credits for income taxes and emergency excise taxes paid under Chapters 220 and 221, F.S., and the salary credit allowed under section 624.509(5), F.S., as these are limited by section 624.509(6), F.S.

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, Mail Stop 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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