

**REVENUE ESTIMATING CONFERENCE**

**TAX:** Corporate Income Tax

**ISSUE:** CIT Credit Increase for Renewable Energy Technologies Investment Tax Credit

**BILL NUMBER(S):** CS for SB 996 section 8, HB7123

**SPONSOR(S):** Senators Bennett, Lynn, Fasano, and Atwater

**MONTH/YEAR COLLECTION IMPACT BEGINS:** July 1, 2007

**DATE OF ANALYSIS:** 4/4/07

**SECTION 1: NARRATIVE**

**a. Current Law:**

Section 220.192(1)(b)3., F.S. provides a corporate tax credit on 75% of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1,2006, and June 30, 2010, up to \$ 6.5 million per state fiscal year for all taxpayers. The costs incurred are in connection with an investment in the production, storage, and distribution of biodiesel (B10 – B100) and ethanol (E10 – E100) in the state. This includes the costs of constructing, installing, and equipping such technologies in the state. Gasoline fueling station pump retrofits for ethanol (E10 –E100) distribution qualify as an eligible costs under this subparagraph.

**b. Proposed Change:**

Provides for the credit to be increased to \$13.0 million per state fiscal year for all taxpayers.

**SECTION 2: DESCRIPTION OF DATA AND SOURCES**

**SECTION 3: METHODOLOGY (INCLUDE ASSUMPTIONS AND ATTACH DETAILS)**

**SECTION 4: PROPOSED FISCAL IMPACT**

State Impact—All Funds	FY 2007-08 Annualized	FY 2007-08 Cash	FY 2008-09 Cash
High	(\$ 6.5 m)	(\$ 6.5 m)	(\$ 6.5 m)
Middle			
Low			

State Impact—All Funds	FY 2009-10 Cash	FY 2010-11 Cash
High	(\$ 6.5 m)	(\$ 6.5 m)
Middle		
Low		

**SECTION 5: CONSENSUS ESTIMATE (ADOPTED 4 / 6 / 07 )** The conference adopted the proposed estimate.

	FY 2007-08 Annualized	FY 2007-08 Cash	FY 2008-09 Cash
General Revenue		(6.5)	(6.5)
Total State Impact		(6.5)	(6.5)
Total Local Impact			
Total Impact	0	(6.5)	(6.5)

	FY 2009-10 Cash	FY 2010-11 Cash
General Revenue	(6.5)	(6.5)
Total State Impact	(6.5)	(6.5)
Total Local Impact		
Total Impact	(6.5)	(6.5)