

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax, Corporate Income Tax, Insurance Premium Tax

Issue: Community Contribution Tax Credit

Bill Number(s): SB 102; Sections 12, 18, and 38

☐ **Entire Bill**

☒ **Partial Bill:** Part of Section 12; Entirety of Sections 18 and 38

Sponsor(s): Sen Calatayud

Month/Year Impact Begins: July 1st, 2023

Date(s) Conference Reviewed: Feb 3rd, 2023

Section 1: Narrative

- a. Current Law:** The current law caps the credits available at \$14.5M for projects that provide housing opportunities for persons with special needs as defined in S.420.0004 or homeownership opportunities as defined in s.420.9071 and \$4.5M for all other projects. A total of \$19M in credit is currently available.
- b. Proposed Change:** The proposed language increases the credit available for projects that provide housing opportunities for persons with special needs as defined in S.420.0004 or homeownership opportunities as defined in s.420.9071 from \$14.5M to \$25M. Credit available for all other projects is unchanged by this language. The total amount of credit available would be raised to \$29.5M

Section 2: Description of Data and Sources

Section 3: Methodology (Include Assumptions and Attach Details)

It is assumed that all credit available is awarded. Therefore, the impact is the increase in cap, or \$10.5M. Over the past 3 years approximately 92.9% of the credit is used against Sales and Use Tax liability, 5.6% is used against Corporate Income Tax liability, and 1.5% is used against Insurance Premium Tax liability.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			\$(10.5) M	\$(10.5) M		
2024-25			\$(10.5) M	\$(10.5) M		
2025-26			\$(10.5) M	\$(10.5) M		
2026-27			\$(10.5) M	\$(10.5) M		
2027-28			\$(10.5) M	\$(10.5) M		

Revenue Distribution: Sales and Use Tax, Corporate Income Tax, Insurance Premium Tax

Section 5: Consensus Estimate (Adopted: 02/03/2023): The Conference adopted the proposed estimate.

Total Impact

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(8.4)	(8.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(10.5)	(10.5)
2024-25	(8.4)	(8.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(10.5)	(10.5)
2025-26	(8.4)	(8.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(10.5)	(10.5)
2026-27	(8.4)	(8.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(10.5)	(10.5)
2027-28	(8.4)	(8.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(10.5)	(10.5)

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Sales Tax Impact

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(7.7)	(7.7)	(Insignificant)	(Insignificant)	(0.3)	(0.3)	(0.7)	(0.7)
2024-25	(7.7)	(7.7)	(Insignificant)	(Insignificant)	(0.3)	(0.3)	(0.7)	(0.7)
2025-26	(7.7)	(7.7)	(Insignificant)	(Insignificant)	(0.3)	(0.3)	(0.7)	(0.7)
2026-27	(7.7)	(7.7)	(Insignificant)	(Insignificant)	(0.3)	(0.3)	(0.7)	(0.7)
2027-28	(7.7)	(7.7)	(Insignificant)	(Insignificant)	(0.3)	(0.3)	(0.7)	(0.7)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(1.1)	(1.1)	(2.1)	(2.1)	(9.8)	(9.8)
2024-25	(1.1)	(1.1)	(2.1)	(2.1)	(9.8)	(9.8)
2025-26	(1.1)	(1.1)	(2.1)	(2.1)	(9.8)	(9.8)
2026-27	(1.1)	(1.1)	(2.1)	(2.1)	(9.8)	(9.8)
2027-28	(1.1)	(1.1)	(2.1)	(2.1)	(9.8)	(9.8)