

## 2006 Statutory Changes to the VCTC Law (HB7131)

(See Chapter 2006-291, Laws of Florida)

The effective date of the below changes is 07/01/2006.

- ◆ Allows tax credits for site rehabilitation conducted during the calendar year in which the applicable VCA or BSRA is executed, even if the site rehabilitation is conducted prior to the execution of that agreement or the brownfield area designation.
- ◆ Expands the VCTC to allow additional tax credits when the brownfield site is limited to the use of affordable housing.
- ◆ Expands the VCTC to allow tax credits for the removal, transportation and disposal of solid waste from certain brownfield sites.
- ◆ Increases tax credit percentages and amounts as summarized below. (Previous percentages/amounts are indicated in parentheses):
  - 50% tax credit (35%), not to exceed \$500,000 (\$250,000) per site/per year for costs integral to site rehabilitation;
  - 25% (10%) of the total eligible cost of cleanup, not to exceed \$500,000 (\$50,000), in the final year of cleanup, upon issuance of a “No Further Action” (a.k.a. SRCO) order;
  - 25% (new) of the total eligible cost of site rehabilitation, not to exceed \$500,000 (new), if the applicant demonstrates use of the brownfield site is limited to affordable housing;
  - 50% (new) of the total cost for removal, transportation and disposal of solid waste from a brownfield site, not to exceed \$500,000 (new) per site, provided the site was never operated as a landfill or dump site for monetary compensation.
- ◆ Extends annual site rehabilitation tax credit certificate issuance deadline from March 1, to March 31.
- ◆ **Note:** Effective January 1, 2007, VCTC tax credits may be applied against Florida corporate income tax (HB209 repealed the Intangible Personal Property Tax).