



Business Incentives and Economic Development Expenditures: An Overview of Florida's Program Investments and Outcomes

Summary

Across the country, state economic development incentives have evolved into a complex mixture of programs with diverse structures and goals. The Council for Community and Economic Research (C2ER) and the Center for Regional Economic Competitiveness (CREC) have been working to catalog and document the range of available state programs through the [C2ER State Business Incentives Database](#), which includes detailed information about almost 2,000 state-administered incentive programs from every state; and the [C2ER State Economic Development Expenditures Database](#), a compilation of economic development expenditure budget data from every state. This report builds on that work by taking a deeper look at Florida's full array of incentive programs and includes an analysis of the available outcome data that is used by state policymakers and program administrators to gauge program effectiveness.

In order to create a comprehensive picture of the economic development landscape, we reviewed and culled data from a range of state statutes, reports, and websites. The numbers contained in this report are CREC and C2ER's best estimate of the dollars spent on economic development incentives at the state level in Florida.

In Fiscal year (FY) 2014, the most recent year spending data are available for all program types, the state spent \$367 million on economic development program expenditures and \$1.2 billion on economic development tax expenditures.¹

[The Center for Regional Economic Competitiveness \(CREC\)](#) is working with The Pew Charitable Trusts (Pew) on the Business Incentives Initiative. This initiative engages forward-thinking teams of economic development policymakers and practitioners from six states. These leaders are working together to identify effective ways to manage and assess economic development incentive policies and practices, improve data collection and reporting on incentive investments, and develop national standards. The initiative is supported by a grant from the Laura and John Arnold Foundation.

¹ Please see Appendices for detailed lists of all items included in this report as incentives, economic development program expenditures, and economic development tax expenditures.



Overview of Business Incentives

Florida offers a moderately high number of incentives, with a total of 49 active programs in 2015.² The C2ER State Business Incentives Database defines state business incentives as state-administered programs designed to influence business investment behaviors. States design their programs to influence these behaviors through tax incentives, as well as through non-tax programs, such as grants, loans, business assistance, and other investment vehicles. These incentives help businesses address one or more needs, such as capital access, workforce preparation, technology transfer, site facility improvements, and so forth.³

Figure 1: Florida State Business Incentives by Agency, 2015

Agency	Number of Programs
Enterprise Florida, Inc.	15
Florida Department of Revenue	12
Florida Department of Economic Opportunity	9
Florida Opportunity Fund	3
CareerSource Florida, Inc.	2
Florida Office of Film and Entertainment	2
Florida Department of Management Services	1
Florida Export Finance Corporation	1
Florida First Capital Finance Corporation	1
GrowFL	1
Opportunity Florida	1
State Board of Administration	1

Source: C2ER State Business Incentives Database

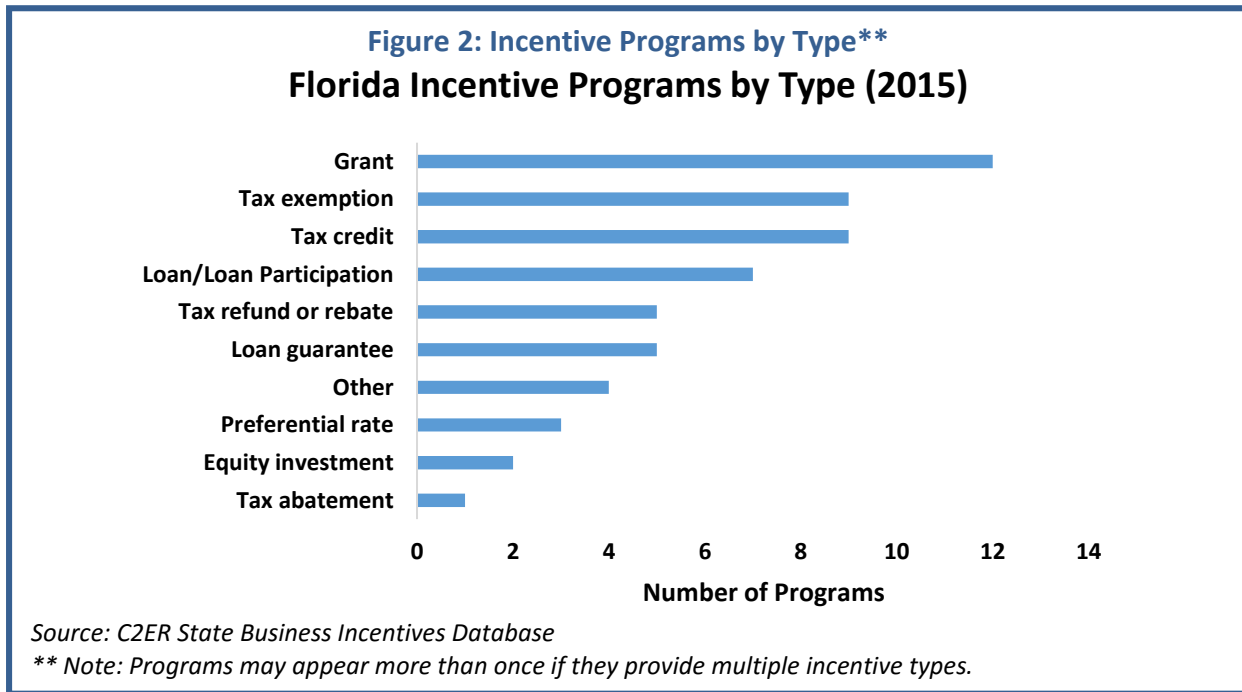
Florida incentives are currently administered by twelve different agencies, representing a mixture of state agencies and public-private partnerships. Enterprise Florida, Inc., the Florida Department of Economic Opportunity, and the Florida Department of Revenue administer the majority of the state’s business incentives. (See Figure 1.) The Department of Revenue exclusively administers tax incentives (primarily exemptions and tax credits), while the Department of Economic Opportunity, Enterprise Florida, Inc., and other state agencies administer a mix of tax (primarily credits) and non-tax programs.

Enterprise Florida, Inc. (EFI), the principal economic development organization for the state, was formed in 1996 as the first quasi-public lead state economic development agency in the nation. In 2011, the state combined functions of the former Florida Department of Commerce and other smaller state agencies to create the quasi-public Florida Department of Economic Opportunity (DEO). DEO oversees the divisions of Workforce Innovation (including CareerSource Florida, Inc.), Community Development,

² The C2ER State Business Incentives Database [definition of business incentives](#) may differ from the definition used by the state of Florida. For a current list of incentive programs as defined by the state, please see [the Enterprise Florida, Inc.](#) website.



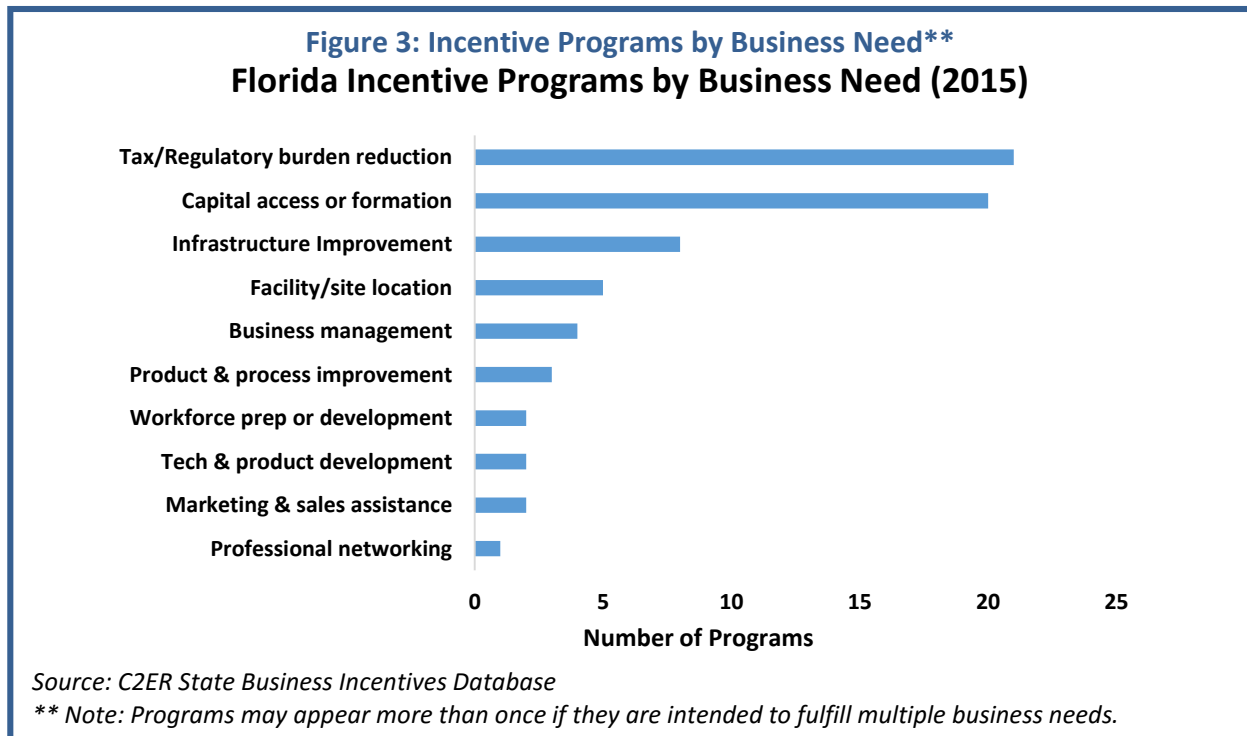
and Strategic Business Development. EFI, in conjunction with the DEO Division of Strategic Business Development, evaluates incentive applications, ensures statutory compliance, makes incentive policy decisions, and manages incentive contracts and compliance. DEO also coordinates with other state agencies on issues such as permitting and regulatory compliance.



Over the past couple of decades, the state has moved from a focus on business assistance programs, toward an emphasis on business financing and tax incentives. A bit less than half (43 percent) of Florida’s active incentive programs offer some kind of tax-related benefit. By comparison, tax incentives represent 45 percent of all state business incentive programs across the nation. A little over a third (37 percent) of Florida’s incentive programs provide direct business financing, while about 20 percent offer indirect business financing. (See Figure 2.)



The emphasis of the state’s current portfolio of incentives is on tax burden reduction, capital access formation, and infrastructure improvement, with a smaller number of programs addressing other forms of business assistance, such as workforce development and marketing assistance. Compared to other states, Florida’s program portfolio places a stronger emphasis on addressing capital access and infrastructure improvement needs. (See Figure 3.)



Over the past decade, Florida has developed several incentive programs for assisting with technology transfer activities and expanding targeted industries in the state, such as the Renewable Energy Technologies Investment Tax Credit and Sports Development Program. Additionally, Florida has expanded its incentives portfolio to include more capital access and technical assistance programs managed through public-private partnerships, such as the Florida Opportunity Fund, the state’s venture capital organization, and GrowFL, an economic gardening program.

Several changes regarding economic incentives in Florida are underway. For the FY 2016 state budget, Governor Scott requested \$85 million from the State Legislature for funding EFI activities, but the state legislature approved only \$53 million in funding. The Senate is also currently proposing to switch from escrowed money to a “cash flow” system in which the Legislature would fund existing job deals on a year-to-year basis.⁴

⁴ Steve Bosquet, “‘Frustrated’ Gov. Rick Scott blasts Legislature for short-changing job incentive programs”, *Miami Herald*, August 20, 2015, Accessed at: <http://www.miamiherald.com/news/business/article35264646.html#storylink=cpy>



Economic Development Program Expenditures

Examining Florida’s budget for economic development program expenditures reveals how various state agencies outlay money for economic development programs.

Expenditures fall into 15 functional areas for economic development defined by the C2ER State Economic Development Expenditures Database.⁵

According to Florida’s [FY 2014 Senate Bill \(SB 1500\)](#), which details appropriated FY 2014 spending, the state appropriated \$367 million⁶ to spend on economic development in FY 2014. This level of spending represents an average of \$571 per business, which is considerably lower than the median average of \$877 per business spent in other states for that fiscal year. The majority of Florida’s economic development expenditures (around 60 percent) went to the Department of Economic Opportunity, with the remainder going to the Department of Agriculture and Consumer Services, Department of Citrus, and Department of Transportation.

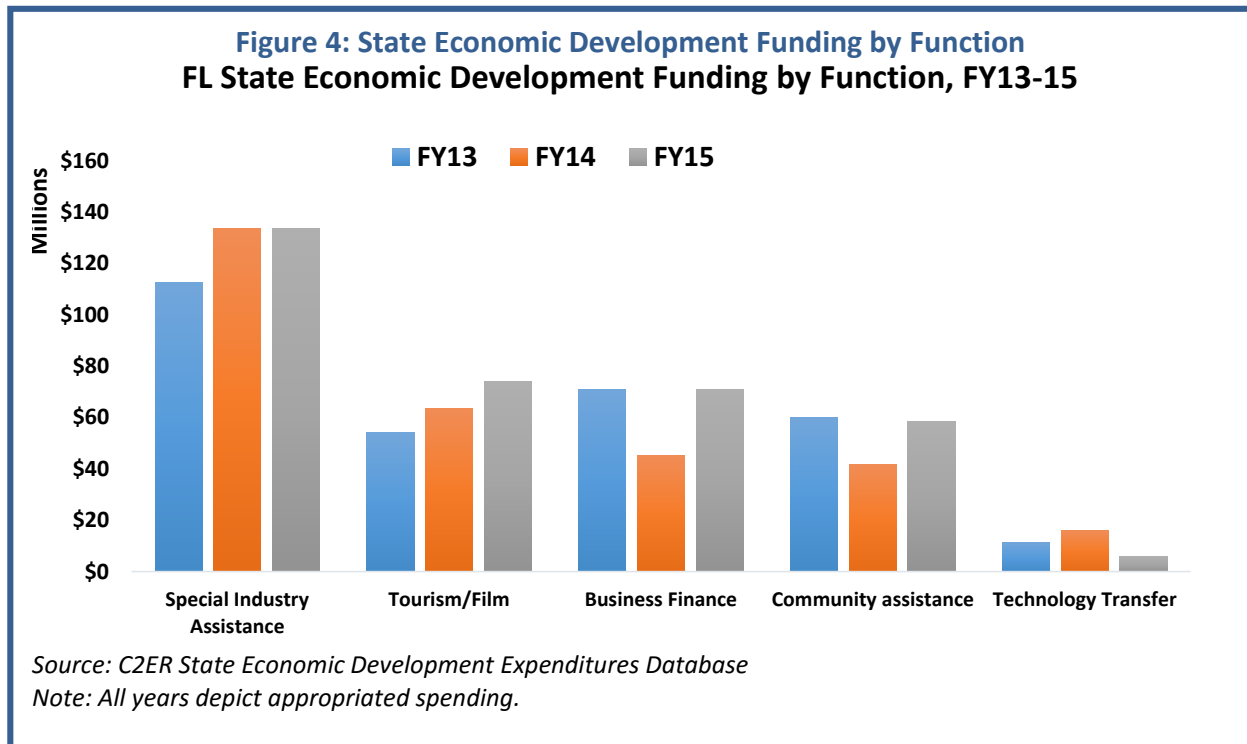
- State Economic Development Expenditures
Function Areas**

 - Business Finance
 - Strategic Business Attraction Fund
 - Business Assistance
 - International Trade and Investment
 - Domestic Recruitment/Out-of-State
 - Workforce Preparation & Development
 - Technology Transfer
 - Entrepreneurial Development
 - Minority business development
 - Community Assistance
 - Tourism/Film
 - Special Industry Assistance
 - Program Support
 - Administration
 - Other Program Areas

In comparison to economic development expenditures nationally, in FY 2014 Florida spent a greater proportion of its budget (relative to other states) on programs related to international trade and investment, minority business development, domestic recruitment, business finance, and special industry assistance (especially agriculture and aerospace and defense), and a lower share on programs related to technology transfer, strategic business attraction, tourism and film, community assistance, workforce preparation and development, and business assistance. (See Figure 4.)

⁵ See Glossary definitions here - http://www.stateexpenditures.org/about/Definition_of_ED_Functions.pdf

⁶ This total excludes all federal and local economic development expenditures.

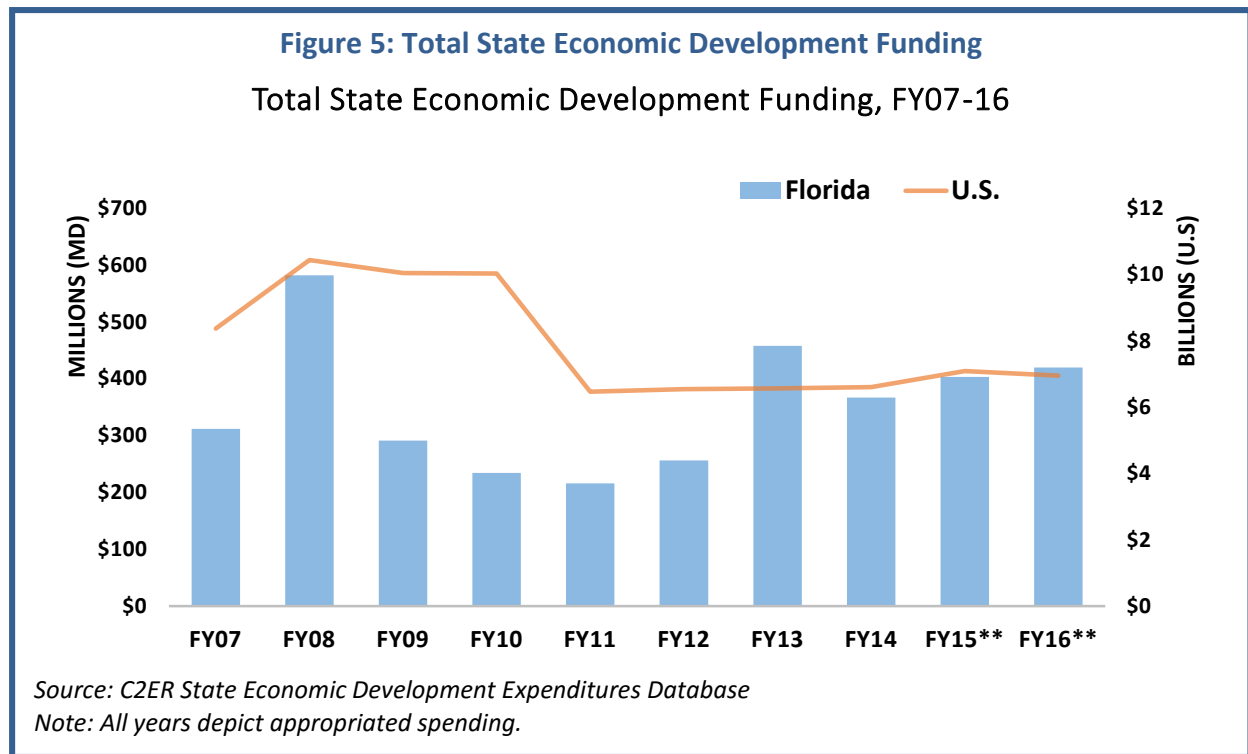


Between FY 2007 and FY 2008, economic development spending increased 86% in Florida, from \$312 million in FY 2007 to \$582 million in FY 2008. This large increase was mainly due to a large \$45 million appropriation for the Quick Action Closing Fund, the state’s strategic business attraction fund, and \$250 million for the Innovation Incentive Program, created during the 2006 Legislative Session as a tool to attract high-value research and development, innovation business, and alternative and renewable energy projects. Economic development program expenditures then decreased to their lowest point in FY 2011, with large drops in spending on special industry assistance, community assistance, and strategic business attraction funding.

Spending increased again in FY 2013 due to a \$160 million appropriation for “Economic Development Tools” in that fiscal year. After reaching another high aggregate total of \$458 million in FY 2013, Florida’s spending declined by 20% in FY 2014. Economic development expenditure appropriations trended slightly upwards again in FY 2015 and FY 2016.



The state appropriated \$420 million for economic development in FY 2016, with major recent increases for expenditures on tourism development, grants to local and regional development organizations, aerospace and defense industry assistance, and various business incentive programs. Florida’s program expenditures align fairly well with national trends in economic development spending, as most states decreased spending in FY 2011 following the Great Recession and have since made very gradual spending increases. (See Figure 5.)



Economic Development Tax Expenditures

Tax expenditures can be defined as “revenue losses attributable to tax provisions that often result from the use of the tax system to promote social goals without incurring direct expenditures.”⁷ *Economic development tax expenditures* in this context represent those tax provisions that use the state tax system to promote business investments that promote state economic priorities.

The [Florida 2013 Tax Handbook](#), published by the Florida Revenue Estimating Conference, was used for the analysis in this section. Data was collected by reviewing and recording all line items in the report related to economic development, including all tax credits, abatements, refunds/rebates and exemptions that are designed to influence business investment behaviors. In some cases, the tax

⁷ *Tax Expenditures: What are they and how are they structured?* Tax Policy Center. Accessed November 25, 2014 at: www.taxpolicycenter.org/briefing-book/background/shelters/expenditures.cfm



October 2015

incentive is listed as having no tax expenditures for that year because the data was not available, or available but not reported to maintain confidentiality.

In FY 2014, the state of Florida's economic development tax expenditures totaled approximately \$1.2 billion, which was much greater than the \$367 million Florida invested in economic development program expenditures for that fiscal year. Florida administered its tax expenditures related to economic development primarily through the Department of Revenue, although for some incentives state agencies like EFI are involved in marketing the incentives and evaluating applicants to discretionary incentive programs.

For FY 2014, around 60 percent of Florida's economic development tax expenditures were expended through tax exemptions, while almost 40 percent represent tax credits. A small amount of expenditures went towards tax refund and tax deduction incentives. Approximately 64 percent of Florida's economic development tax expenditures were for sales and use taxes, while most of the remainder (36 percent) fell under corporate income taxes types. Insurance premium tax expenditures represented a very small portion of the total. The primary economic development functional goals of these tax expenditures were to encourage special industry assistance, domestic recruitment, community assistance, and technology transfer.

The majority of Florida's economic development tax expenditures went towards special industry assistance (60 percent) and domestic recruitment (36 percent). The primary industry sectors that received tax relief in FY 2014 were manufacturing (42 percent), agriculture and fishing (22 percent), professional, scientific, and technical services (15 percent), and tourism and film (10 percent). Approximately \$120 million expenditures went toward private activities related to the space exploration industry.

Analysis of Available Outcome Data

Florida has made many recent strides in increasing transparency, coordinating incentive administration and assessment, and evolving its economic impact analysis model. The key decision makers involved in improving incentives evaluations include EFI, DEO, Florida's Governor, the Florida Legislature, and the Office of Economic and Demographic Research (EDR).

In 2012, the Florida Legislature made significant changes to the requirements surrounding incentive evaluation. The [Economic Development Incentives Portal](#) was launched on October 1, 2013, to allow access to the performance measurements required in economic development incentive contracts and each company's progress toward reaching their required job creation goals. This site contains details on every non-confidential Florida economic development incentive project with an executed contract. The Economic Development Incentives Portal is a collaborative effort between DEO and EFI. In addition to the general details of a project, the portal also indicates the projected return on investment (ROI).

According to state statute⁸, incentive project details remain confidential for 180 days after the final project order is signed with the state or one year after confidentiality is requested by the company, whichever comes first. Upon the conclusion of the confidentiality period, details of each incentivized

⁸ See [Fla. Stat. § 288.075](#)



October 2015

project will be made public on the DEO Portal. Upon the completion of incentive agreements, the actual ROI is published on the portal.

The economic impact model has been in use for many years, dating back to the former Florida Department of Commerce. The ROI is determined from the economic and fiscal impact analysis that is completed for each incentive application submitted to DEO. The analysis provides a ROI, or “economic benefit,” estimating the amount of state taxes and related revenues generated per dollar invested by the state in economic development incentives. The model has undergone significant revisions over the years, with the most significant recent changes in 2010 and 2013 by EDR. DEO uses the economic impact model established by EDR to calculate the economic benefits for each project.⁹

The [EFI Annual Report](#) has been produced for more than 10 years¹⁰. Reports address the economic development incentives paid from the State’s Economic Development Trust Fund and summarizes the performance of other incentives considered to be key components of Florida’s economic development toolkit. The report is sent to the Governor’s Office and the President of the Senate and Speaker of the House to document the fiscal year activities.

Included within the report is a summary of project data, including the value of incentives approved and paid. It also includes the names of companies that were awarded incentives and paid incentives in that fiscal year. The various programs have specific requirements that are also reported in the annual report. During the [2011 Legislative session](#), the scope of data to be included in the annual incentives report was expanded to provide an analysis of the actual ROI for three years of completed projects.

Following a [critical investigation](#) by the *Miami Herald* and *Tampa Bay Times*, in 2013 the Florida Legislature recruited EDR to complete a full analysis of each incentive program to determine which programs are most effective. This performance is demonstrated by verified job creation and wage figures, calculation of economic benefits utilizing actual company performance and actual incentive payments made, and other analyses to help verify the outcomes and appropriateness of state incentives. A [full EDR report](#) was released January 1, 2014 with a thorough quantitative analysis of seven incentive programs, which was followed by a series of [return on investment reports](#) on individual economic development programs.

In 2013, the Florida Legislature also tasked the Office of Program Policy Analysis and Government Accountability (OPPAGA) with an analysis of economic development programs. In contrast to the EDR report, this study aimed to evaluate each economic program over the previous three years to determine qualitative effectiveness and value to the state’s taxpayers. The procedures, administrators, role of incentives, contract fulfillment, and various recommendations were evaluated in this study. The first year [report](#) was released in 2014, followed by the second year [report](#) in 2015.

The Legislature is also working on several other bills to make Florida’s economic development agencies more transparent and responsive to the lawmakers. So far these proposals include requiring Senate

⁹ As outlined in [Fla. Stat. § 288.061\(2\)](#)

¹⁰ As required under [Fla. Stat. § 288.095](#)



October 2015

confirmation of EFI's chief executive officer and putting escrow money in control of a state agency so it can produce more interest.¹¹

Conclusion

Florida currently administers a moderately high number of incentives, with a slight emphasis on non-tax over tax incentives. The state's economic development program spending per business establishment in the state is relatively low, although overall spending has been increasing since FY 2012. The bulk of the state's current economic development expenditures are through tax expenditures, especially sales and use tax exemptions. In recent years, the state has been increasing spending for special industry assistance (especially aerospace and defense), research and innovation programs, and business financing tools. Based on recent legislative proposals, in the future the state may be moving toward more spending on community assistance through infrastructure spending and encouraging businesses to locate in underdeveloped areas, such as through the recently created New Markets Development Program (2014).

Florida's economic development structure is notable for its innovative use of public-private partnerships, including the country's first quasi-public lead state economic development agency. DEO and EFI have also demonstrated a commitment to transparency and accountability through various initiatives, including the DEO Economic Development Incentives Portal, EFI Annual Reports, and the innovative DEO economic impact model. Despite these efforts, legislative proposals exist to limit business incentive spending and give the state more legislative oversight over these activities.

¹¹ Steve Bosquet, "Lawmakers seek to revamp Florida's job incentives programs," *Miami Herald*, March 28, 2015, <http://www.miamiherald.com/news/politics-government/state-politics/article16728746.html>



Appendix A: Full List of Florida State Business Incentives (2015)

Program Name	Program Provider	Business need	Type
FloridaFlex	CareerSource Florida, Inc.	Grant	Workforce prep or development
Incumbent Worker Training Program (IWT)	CareerSource Florida, Inc.	Grant	Workforce prep or development
504 Bridge Loan Program	Enterprise Florida, Inc.	Loan/Loan Participation	Capital access or formation
Brownfield Redevelopment Bonus Fund	Enterprise Florida, Inc.	Tax refund or rebate	Capital access or formation; Tax/Regulatory burden reduction
Capital Investment Tax Credit (CITC)	Enterprise Florida, Inc.	Tax credit	Product & process improvement; Tax/Regulatory burden reduction
Economic Development Transportation Fund	Enterprise Florida, Inc.	Grant	Infrastructure Improvement
Export Loan Guarantees & Export Direct Loans	Enterprise Florida, Inc.	Loan guarantee; Loan/Loan Participation	Capital access or formation
Florida Development Finance Corporation	Enterprise Florida, Inc.	Preferential rate; Tax exemption; Loan/Loan Participation	Capital access or formation
High Impact Performance Incentive Grant (HIPI)	Enterprise Florida, Inc.	Grant	Capital access or formation
Loan Guarantee Program	Enterprise Florida, Inc.	Loan guarantee	Capital access or formation
Loan Participation Program	Enterprise Florida, Inc.	Loan/Loan Participation	Capital access or formation
Qualified Defense and Space Contractor Tax Refund (QDSC)	Enterprise Florida, Inc.	Tax refund or rebate	Business management; Tax/Regulatory burden reduction
Qualified Target Industry Tax Refund Program (QTI)	Enterprise Florida, Inc.	Tax refund or rebate	Business management; Tax/Regulatory burden reduction
Quick Action Closing Fund	Enterprise Florida, Inc.	Grant	Capital access or formation; Infrastructure Improvement
Rural Community Development Revolving Loan Program	Enterprise Florida, Inc.	Loan/Loan Participation; Loan guarantee	Facility/site location
Rural Infrastructure Fund	Enterprise Florida, Inc.	Grant	Infrastructure Improvement



October 2015

SBIR/STTR "Phase 0" Program	Enterprise Florida, Inc.	Grant	Capital access or formation
Black Business Loan Program	Florida Department of Economic Opportunity	Loan/Loan Participation; Loan guarantee	Capital access or formation
Florida Capital Access Program	Florida Department of Economic Opportunity	Preferential rate	Capital access or formation
Florida Enterprise Zone Program	Florida Department of Economic Opportunity	Tax exemption; Tax credit; Tax refund or rebate	Tax/Regulatory burden reduction
Florida First Business Bond Pool	Florida Department of Economic Opportunity	Other	Capital access or formation
Innovation Incentive Program	Florida Department of Economic Opportunity	Tax abatement; Grant	Capital access or formation; Tax/Regulatory burden reduction
Microfinance Loan and Guarantee Program	Florida Department of Economic Opportunity	Loan/Loan Participation	Capital access or formation
New Markets Development Program	Florida Department of Economic Opportunity	Tax credit	Tax/Regulatory burden reduction
Rural Economic Development Initiative	Florida Department of Economic Opportunity	Other	Facility/site location
Sports Development Program	Florida Department of Economic Opportunity	Grant	Facility/site location; Infrastructure Improvement
Florida Minority Business Loan Mobilization Program	Florida Department of Management Services	Other	Capital access or formation
Contaminated Site Rehabilitation and Hazardous Waste Facility Tax Credit	Florida Department of Revenue	Tax credit	Infrastructure Improvement; Tax/Regulatory burden reduction
Electricity Sales Tax Exemption for Manufacturing	Florida Department of Revenue	Tax exemption	Business management
Energy Sales and Use Tax Exemptions	Florida Department of Revenue	Tax exemption	Tax/Regulatory burden reduction; Infrastructure Improvement
Research and Development Tax Credit	Florida Department of Revenue	Tax credit	Tax/Regulatory burden reduction; Tech & product development
Rural Job Tax Credit Program	Florida Department of Revenue	Tax credit	Facility/site location; Tax/Regulatory burden reduction
Salary Tax Credit	Florida Department of Revenue	Tax credit	Tax/Regulatory burden reduction
Sales and Use Tax Exemptions for Machinery and Equipment	Florida Department of Revenue	Tax exemption	Tax/Regulatory burden reduction



Sales and Use Tax Exemptions for Research, Development, and Labor	Florida Department of Revenue	Tax exemption	Tech & product development; Tax/Regulatory burden reduction
Sales and Use Tax Refund for Machinery and Equipment for Renewable Energy Technologies	Florida Department of Revenue	Tax refund or rebate	Tax/Regulatory burden reduction; Infrastructure Improvement
Sales Tax Exemption for Electricity Used for Agricultural Purposes	Florida Department of Revenue	Tax exemption	Capital access or formation; Tax/Regulatory burden reduction
Semiconductor, Defense, or Space Technology Sales and Use Tax Exemption (SDST)	Florida Department of Revenue	Tax exemption	Marketing & sales assistance; Product & process improvement; Tax/Regulatory burden reduction
Urban Job Tax Credit Program	Florida Department of Revenue	Tax credit	Facility/site location; Tax/Regulatory burden reduction
Export Assistance and Financing	Florida Export Finance Corporation	Loan guarantee	Capital access or formation
Florida Recycling Development Fund	Florida First Capital Finance Corporation	Preferential rate	Product & process improvement
Entertainment Industry Financial Incentive Program	Florida Office of Film and Entertainment	Tax credit	Tax/Regulatory burden reduction
Sales and Use Tax Exemption on Entertainment Industry Equipment	Florida Office of Film and Entertainment	Tax exemption	Tax/Regulatory burden reduction
Florida Clean Energy Investment Program	Florida Opportunity Fund	Grant	Infrastructure Improvement
Florida Fund of Funds Program	Florida Opportunity Fund	Grant	Capital access or formation
Florida Venture Capital Program	Florida Opportunity Fund	Equity investment	Capital access or formation
Economic Gardening Technical Assistance Pilot Program	GrowFL	Other	Marketing & sales assistance; Business management; Professional networking
Permit Streamlining Initiatives	Opportunity Florida	Grant	Tax/Regulatory burden reduction
Florida Growth Fund	State Board of Administration	Equity investment	Capital access or formation



Appendix B: FL Economic Development Program Expenditures (2014)

Function	Activity	Agency	Program	Total State Funding
Administration	Info systems, accounting, human resources, etc.	Department of Economic Opportunity	Finance and Administration	\$11,154,150
Administration	Info systems, accounting, human resources, etc.	Department of Economic Opportunity	Information Systems and Support Services	\$8,071,208
Administration	Info systems, accounting, human resources, etc.	Department of Economic Opportunity	Strategic Business Development	\$2,462,582
Business Assistance	Other Business Assistance	Department of Economic Opportunity	Economic Gardening	\$1,000,000
Business Finance	Other Business Finance	Department of Economic Opportunity	Economic Development Tools (except MEP funding)	\$45,000,000
Community assistance	Community center revitalization	Department of Economic Opportunity	Small Cities CDBG	\$0
Community assistance	Technical assistance/capacity building to communities (including rural)	Department of Economic Opportunity	Grants and Aids - Technical and Planning Assistance	\$1,200,000
Community assistance	Grants to local/regional dev. orgs.	Department of Economic Opportunity	Economic Development Projects	\$9,450,000
Community assistance	Infrastructure (e.g., road/sewer/telecommunications)	Department of Transportation	Economic Development Transportation Projects - Road Fund (Transportation Systems Operations)	\$15,000,000
Community assistance	Infrastructure (e.g., road/sewer/telecommunications)	Department of Transportation	Seaport - Economic Development (Transportation Systems Development)	\$15,000,000
Community assistance	Technical assistance/capacity building to communities (including rural)	Department of Economic Opportunity	Rural Community Development	\$1,170,000
Domestic Recruitment/Out-of-State	Other Domestic Recruitment/Out-of-State	Department of Economic Opportunity	Enterprise Florida Program (minus	\$13,050,000



October 2015

			International Affairs Office)	
International Trade and Investment	Export promotion (excl. overseas representation)	Department of Economic Opportunity	International Affairs Office (Enterprise Florida Program)	\$5,000,000
International Trade and Investment	Export promotion (excl. overseas representation)	Department of Economic Opportunity	Advocating International Relationships	\$600,000
Minority Business Development	Bonding and contracting, lending, and grant assistance	Department of Economic Opportunity	Black Business Loan Program	\$2,225,000
Minority Business Development	Other Minority business development	Department of Economic Opportunity	Hispanic Business Initiative Fund Outreach Program	\$775,000
Program Support	Secretary/Director's Office	Department of Economic Opportunity	Executive Leadership	\$4,887,600
Program Support	Policy and planning	Department of Economic Opportunity	Grants and Aids - Regional Planning Councils	\$2,500,000
Special Industry Assistance	Agriculture/agribusiness	Department of Citrus	Agricultural Products Marketing	\$43,614,124
Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Space Florida	\$12,500,000
Special Industry Assistance	Agriculture/agribusiness	Department of Agriculture and Consumer Services	Agricultural Products Marketing	\$49,192,811
Special Industry Assistance	Agriculture/agribusiness	Department of Citrus	Citrus Research	\$13,156,782
Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Grants and Aid - FL Defense Support Task Force	\$4,000,000
Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Military Base Protection	\$1,000,000
Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Space, Defense, and Rural Infrastructure (Strategic Business Development)	\$1,600,000
Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Space, Defense, and Rural Infrastructure (Housing and Community Development)	\$1,600,000



Special Industry Assistance	Aerospace and defense	Department of Economic Opportunity	Space Florida - Aerospace Industry Financing, Business Development and Infrastructure Needs	\$7,000,000
Technology Transfer	Technology commercialization	Department of Economic Opportunity	Institute for the Commercialization of Public Research	\$5,500,000
Technology Transfer	Other Technology Transfer	Department of Economic Opportunity	Economic Development Programs	\$10,000,000
Technology Transfer	Modernization/mfg. extension	Department of Economic Opportunity	Florida Manufacturing Extension Partnership (Economic Development Tools)	\$500,000
Tourism/Film	Tourism promotion (exc. Advertising)	Department of Economic Opportunity	Visit Florida	\$63,500,000
Workforce Preparation & Dev.	Customized training	Department of Economic Opportunity	Quick Response Training	\$9,150,000
Workforce Preparation & Dev.	Incumbent worker training	Department of Economic Opportunity	Incumbent Worker Training	\$2,000,000
Workforce Preparation & Dev.	Other Workforce Preparation & Dev.	Department of Economic Opportunity	Business Partnerships/Skill Assessment and Training	\$4,000,000
GRAND TOTAL				\$366,859,257



Appendix C: FL Economic Development Tax Expenditures (2014)

Description	Total Funds (all tax types)
Additional Movie Exemptions	\$19,000,000
Agricultural diesel engines and irrigator	\$2,600,000
Boiler Fuels	\$400,000
Building Materials Sales Tax Refund: Rural and Urban Enterprise Zones	\$2,900,000
Business Equipment Sales Tax Refund: Rural and Urban Enterprise Zones	\$1,300,000
Butane and other gases (except natural) used for agricultural purposes	\$1,000,000
Capital Investment Tax Credit (CITC)	\$119,000,000
Cattle growth enhancers	\$300,000
Certain electrical energy used in an enterprise zone	\$400,000
Certain M&E purchased pursuant to federal contract	\$0
Certain M&E used to produce energy	\$18,400,000
Commercial Leases/Space Flight	\$700,000
Community Contribution Tax Credit Program: Rural and Urban Enterprise Zones	\$28,000,000
Contaminated Site Rehabilitation and Hazardous Waste Facility Tax Credit	\$3,200,000
Diesel fuel/electricity used in farming	\$1,100,000
Electricity Sales Tax Exemption for Manufacturing	\$72,500,000
Electricity used in Manufacturing	\$72,500,000
Electricity used in packing houses for fruits and vegetables	\$1,000,000
Electricity used in packing houses for meat of cattle and hog	\$1,200,000
Energy Efficient Technology	\$0
Entertainment Industry Financial Incentive Program	\$8,400,000
Fabrication labor used in the production of qualified motion pictures	\$7,600,000
Farm equipment	\$49,800,000
Feed for poultry and livestock, including racehorses, and ostriches	\$35,800,000
Film and printing supplies	\$9,200,000
Florida Employee's Salary	\$237,200,000
Florida Targeted Jobs Deduction	\$14,400,000
Fuels used to heat poultry structures	\$100,000
High-Crime Area Job Tax Credit	\$100,000
Items fabricated for use in research and development activities	\$30,400,000
Jobs Tax Credit (Corporate Income Tax): Enterprise Zones	\$9,200,000
Jobs Tax Credit (Sales Tax): Enterprise Zones	\$5,700,000
Leases/rentals of certain property used for movie productions	\$3,900,000
M & E used in semiconductor, defense or space technology	\$2,400,000
M&E purchased by expanding businesses or for spaceports	\$38,900,000



October 2015

Machinery and Equipment used for R&D at least 50%	\$72,700,000
Materials used for packaging	\$24,700,000
Motion Picture Video Equipment	\$5,300,000
Natural gas used for agricultural purposes	\$700,000
New Markets tax credit	\$2,100,000
Pollution control equipment used in manufacturing	\$11,500,000
Poultry structure generators	\$200,000
Proration of M&E using nonresidual fuels	\$0
Purchase of agricultural items (pesticides, seeds, fertilizers, etc.)	\$70,800,000
Purchase of commercial fishing nets	\$0
Purchases of boiler fuels for use in industrial manufacturing	\$47,300,000
Purchases of crab bait by commercial fishermen	\$400,000
Purchases of machinery and equipment by new businesses	\$12,000,000
Qualified Defense and Space Contractor Tax Refund (QDSC)*	\$0
Qualified Target Industry Tax Refund (QTI)*	\$0
Renewable Energy Production Tax Credit	\$2,500,000
Renewable Energy Technology Investment Tax Credit	\$4,200,000
Research and Development Tax Credit	\$9,000,000
Rural job tax credit	\$300,000
Sales of farm products sold directly by the producer	\$1,700,000
Semi-conductor clean rooms	\$100,000
Shipping and parts and labor for repair of certain machinery	\$9,000,000
Solar energy systems	\$1,300,000
Solid waste management equipment	\$3,500,000
Spaceflight Projects Tax Credit	\$0
The sale or use of satellites or other space vehicles	\$78,700,000
The sale or use of tangible personal property placed on satellites	\$0
Turbine Engine Manufacturing	\$1,600,000
University Research and Development	\$5,900,000
Up to \$2.0m annual subsidy for certain professional sports teams	\$20,500,000
Urban High-crime area job tax credit	\$5,100,000
\$2 million annual subsidy for Professional Golf Hall of Fame	\$2,100,000
\$1 m annual subsidy for International Game Fish Association World Center	\$1,100,000

* These tax incentives were not included in the 2013 Tax Handbook. However, expenditures for these program are listed in the state budget bill.