

## EXHIBIT "A" APPLICATION

### ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION Chapter 196.1995, Florida Statutes

**NOTICE**

Application is to be filed with the Board of County Commissioners no later than March 1 of the year the exemption is desired to take effect.

An applicant applying for an exemption on Tangible Personal Property must fill out and submit the Florida Department of Revenue form DR-405 (Tangible Personal Property Tax Return). Refer to Item 12 below.

If insufficient space is provided for a response, attachments may be enclosed.

<b>1. BUSINESS NAME AND MAILING ADDRESS</b> Business applicant legal name:	
Business street address in Palm Beach County:	
Business mailing address:	
Telephone:	Fax:
<b>PROPERTY OWNER</b> <b>2. Full legal name of owner of this business:</b>	
Title:	
Telephone:	Fax:
E-mail address:	
<b>PERSON IN CHARGE OF THIS BUSINESS / CONTACT</b> <b>3. Name of employee to contact regarding this application:</b>	
Title:	
Telephone:	Fax:
E-mail address:	
<b>EXACT LOCATION</b> <b>4. Legal description of property for which this application is filed:</b>	
Property control numbers:	
Street address of this property:	
<b>COMMENCE OPERATIONS</b> <b>5. Date you began, or will begin, business activities at this facility:</b>	
<b>NEW OR EXPANSION BUSINESS</b> <b>6. Do you desire exemption as:</b> <input type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business	<b>REAL AND/OR TANGIBLE PERSONAL PROPERTY</b> <b>7. Do you desire exemption for:</b> <input type="checkbox"/> Real Property <input type="checkbox"/> Tangible Personal Property
<b>TYPE OF BUSINESS</b> <b>8. Describe the type or nature of your business:</b>	
<b>TRADE LEVEL</b> <b>9. Check as many as apply below. Identify industry cluster (if applicable):</b> <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other	

**LENGTH OF EXEMPTION**

10. Total number of years that applicant requests exemption:  
(length of exemption approved is at sole discretion of County Commission and commences on effective date of ordinance granting exemption)

**REAL PROPERTY**

11. Description of improvements to real property for which exemption is requested:

Date of commencement of construction of improvements:

**TANGIBLE PERSONAL PROPERTY**

12. Provide a description of tangible personal property for which exemption is requested and date when property was, or is to be, purchased on the enclosed table DR-418 "Tangible Personal Property".

Any additional personal property not listed on the table DR- 418 "Tangible Personal Property" for which an exemption is claimed must be provided on form DR-405 "Tangible Personal Property Tax Return".

**INVENTORY**

13. Average value of inventory on hand: \$

**NEW JOBS**

14. The applicant must enclose current payroll roster as of January 1<sup>st</sup> of the year the exemption is being sought. Provide hire dates and job titles; omit employee names and social security numbers of employees.

Current Jobs - new business. Total number of full-time jobs as of January 1st: [ ] ◆

Current Jobs - expansion of an existing business. Total number of full-time jobs for four most recent years:

Year [ ] Jobs [ ] Year [ ] Jobs [ ]  
Year [ ] Jobs [ ] Year [ ] Jobs [ ] ◆

New Jobs - new or expanding business.  
Total number of jobs to be created and to be maintained:

[ ] Full-time  
[ ] Equivalent (2,080 hours)  
[ ] Seasonal  
[ ] TOTAL NEW JOBS ◆◆

Total Jobs - new or expanding business.

[ ] CURRENT JOBS ◆  
[ ] NEW JOBS ◆◆  
[ ] TOTAL PAYROLL

Job Creation Timeframe - Completion date by when all new full-time jobs will be filled:

Reside - Estimated percentage of total employees who will reside in Palm Beach County: %

**SALARY**

15. The average annual wage of employees at facility in Palm Beach County:  
[ \$ ] current full-time employees  
[ \$ ] new full-time jobs  
[ \$ ] new equivalent jobs (2,080 hours)  
[ \$ ] new seasonal jobs

**CURRENT SALES**

16. Current sales factor for the facility requesting exemption:  
Total sales inside Palm Beach County [ \$ ] ( % )  
Total sales outside Palm Beach County [ \$ ] ( % )  
TOTAL [ \$ ] ( 100.00 % )

To what extent are these same or similar products and/or services currently being produced or provided by other businesses in Palm Beach County:

**PROJECTED SALES**

For an expanding business: Estimated percentage increase in productive output resulting from this expansion: %

If there are any plans for new products and/or services involving the facility in Palm Beach County, provide a description:

**OFFICE SPACE AND INCORPORATION IN FLORIDA**

17. For office or facility space in Palm Beach County owned or leased and used by a corporation newly domiciled in Florida, the date of incorporation in Florida:

**INCENTIVE**

18. Relocation or expansion would occur without the exemption: Yes [ ] No [ ]

**ENVIRONMENT**

19. Environmental impact of new or expanding business project: identify the number and type of environmental permits required as a result of this project; e.g., air, soil and water pollution, water and sewer provision, dredge and fill, RCRA industrial wastewater treatment.

**IMPACT FEES**

20. Total amount of impact fees for the new or expanding business project: \$  
(attach copies of impact fee schedule and payments)

**VIOLATIONS**

21. Local expanding business is in violation of a federal, state, or local law or regulation governing environmental matters:  
Yes [ ] No [ ]  
If answer is Yes, explain:

**COST AND DEMAND FOR SERVICES**

22. Identify sources of existing services and which existing services will need to be increased. Include costs for existing or increased services (provide attachments if necessary):

**SOURCE OF SUPPLIES**

23. Identify in specific terms the source, type and volume of supplies (provide attachments if necessary):

**ENTERPRISE ZONE**

24. Business is / will be located in an enterprise zone: Yes [ ] No [ ]  
If yes, attach the following: (1) map identifying property inside zone; and  
(2) written confirmation from municipality that business project site is inside zone.

Map is enclosed: Yes [ ] No [ ]

Written confirmation is enclosed: Yes [ ] No [ ]

Enterprise Zone name is:

**COMMUNITY REDEVELOPMENT AGENCY**

24. Business is / will be located in a CRA area: Yes [ ] No [ ]  
If yes, attach a map to confirm property is inside CRA area.

Map is enclosed: Yes [ ] No [ ]

CRA name is:

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct and complete to the best of my knowledge and belief, including any attached statements, schedules, etc. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

TAXPAYER – Owner Name and Title	PREPARER / AUTHORIZED AGENT – Name and Address
	Telephone
	Fax
	E-mail
SIGNATURE	SIGNATURE
TYPE OR PRINT NAME	TYPE OR PRINT NAME
DATE	DATE

**EXHIBIT "A"**  
**ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION**  
 Chapter 196. 1995, Florida Statutes

Business Name:
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**PROPERTY APPRAISER'S USE ONLY**

I. Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources: \$ _____	
II. Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: \$ _____	
III. Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise had been subject to taxation: \$ _____	
IV. Estimate of the taxable value lost to the county or municipality if the exemption applied for were granted:  Improvements to Real Property: \$ _____ Personal Property: \$ _____	
V. I have determined that the property listed above meets the definition, as defined by Section 196.012 (15) or (16), Florida Statutes, as a  <input type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business <input type="checkbox"/> Neither	
VI. Last year for which exemption may be applied: _____	
DATE	SIGNATURE (Property Appraiser)

APPLICATION TO BE FILED NOT LATER THAN MARCH 1<sup>st</sup>

**EXHIBIT "A"**  
**TANGIBLE PERSONAL PROPERTY**  
**ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION**  
CHAPTER 196.1995, FLORIDA STATUTES

6.a. Description of the tangible personal property for which this exemption is requested and date when property was, or is to be, purchased.

CLASS OR ITEM	AGE	DATE OF PURCHASE	ORIGINAL COST	TAXPAYER'S ESTIMATE OF CONDITION			TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE	APPRAISER'S USE ONLY	
				G O O D	A V G	P O O R		CONDITION	

## General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S.

The expansion must be on the same or a colocated site of the business current operations.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both.

After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

## Statutory Definitions

### **Section 196.011 Annual application required for exemption.—**

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

### **Section 196.012(15) and (16), Florida Statutes**

#### **(15) "New business" means:**

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant;

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s.220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A new business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

#### **(16) "Expansion of an existing business" means:**

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site colocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone that increases operations on a site colocated with a commercial or

industrial operation owned by the same business.

**Section 196.1995 Economic development ad valorem tax exemption.-**

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

**Section 220.15(5), Florida Statutes.**

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term “sales” means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer’s business consists of leasing or renting real or tangible personal property; and 2. Royalty income is included in the term if a significant portion of the taxpayer’s business consists of dealing in or with the production, exploration, or development of minerals.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trust, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;

2. Gross profits from trading in stocks, bonds, or other securities managed within this state;

3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;

4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;

5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer’s agent to sell real or tangible personal property located in this state;

6. Rents from real or tangible personal property located in this state; or

7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an “includable corporation” under s. 1504(b) of the Internal Revenue code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.

**Source: Florida Department of Revenue DR-418, R. 12/99**

[ <http://www.myflorida.com/dor/forms/2003/dr418r1299.pdf> ]