



## Recommendations of the Florida TaxWatch COVID-19 Taxpayer Task Force

In the early days of the pandemic, Florida TaxWatch formed the COVID-19 Taxpayer Task Force to discuss opportunities and options to help Florida recovery and ease the burdens created by the pandemic on Florida taxpayers. Made up of public policy professionals, tax and budget experts, and leaders of both small and large businesses, the Task Force was established to identify those areas of state tax policy that could be addressed both immediately and in the long term to provide Florida's businesses—and their employees and customers—appropriate relief and assistance. The E-Fairness, UC Tax, and Business Rent Tax provisions in SB 50 were all recommended by the Task Force. In addition, a number of other [Task Force's recommendations](#) advanced this session. See this summary of recommendations that were included in legislation this session.

### Passed in SB 50 (signed by Governor)

- **Enact E-Fairness legislation**
- **Reduce the Business Rent Tax**
- **Minimize/Delay Reemployment Assistance Tax Increases**
- **Disregard COVID-19-Related Layoffs in the Calculation of Employers' UC Tax Rates** – In addition, SB 50 would not consider the adjustment factor for noncharged benefits nor the positive adjustment factor in calculating tax rates.

### Advanced, but did not Pass

- **Documentary Stamp Tax Relief for Emergency Loans** – The TF recommended this in order to not add additional costs to business recovery and response efforts and to remove a potential disincentive to small business participation in such programs. This was done by an executive order the Governor for the Paycheck Protection Program loans offered through the CARES Act. [SB 734](#) would have exempted any federal loan made in response to a state of emergency declared in response to the COVID-19 pandemic. ***SB 734 was approved by the Senate Commerce & Tourism and the Finance and Tax Committees.***
- **Reestablish the Qualified Target Industry (QTI) Tax Refund Program** – The QTI Program was created to encourage the creation and retention of high-quality, high-wage jobs through state refunds of certain state and local taxes to businesses creating jobs in highly sought-after industries. It sunset on June 30, 2020 after legislation to make it permanent failed to pass during the 2020 session. The state's last three reviews have shown QTI has a positive ROI between

4.3:1 and 6.4:1. ***A provision reestablishing QTI was added to the new Senate tax package (SB 7068), but was not included in the final bill (HB 7601).***

- **Adopt Corporate Income Provisions of the CARES Act** - The first Senate's version of the annual CIT "piggyback" bill originally would have adopted almost all the federal provisions, providing more than \$200 million in relief. The House chose to decouple from the provisions. ***The House version passed.***
- **Create a Film, Television, and Digital Media Targeted Rebate Program** – [SB 704](#) would have awarded rebates to production companies based upon their demonstrated economic impact and their commitment to employ Floridians and purchase goods and services from Florida businesses. Allowing each potential project's benefits to be evaluated and prioritized, instead of the first-come, first-served approach of past programs, would help ensure that the most beneficial projects would receive the limited incentive (rebate of 23 percent of qualified expenditures with a limit of \$2 million.) A certified project may only receive a rebate after it has completed production, and its expenditures have been verified. A sound, fiscally responsible incentive program, such as the targeted rebate program created by SB 704, would help to create and sustain an environment in which film and television production companies can grow and grow Florida's economy at the same time. ***SB 704 was approved by the Commerce & Tourism Committee.***