

Fort Myers/Lee County

# Enterprise Zone



**FORT MYERS**

REGIONAL PARTNERSHIP

Lee County's Economic Development Office



# Enterprise Zone

## **OVERVIEW**

This brochure is provided by Fort Myers Regional Partnership, Lee County's Economic Development Office, to assist business owners in their efforts to take advantage of the Enterprise Zone refund or exemption benefits. The brochure is for general reference only and is not intended to include all statutory or business requirements.

## **What is the Enterprise Zone?**

An Enterprise Zone, designated by the State of Florida, is an area targeted for economic revitalization. Investing capital and creating jobs in a Zone provides the foundation for revitalizing the quality of life in Florida's distressed communities. The State of Florida has developed the Enterprise Zone Program through which it offers state tax incentives to eligible companies.

## **What benefits are offered in the Enterprise Zone?**

The State of Florida's Enterprise Zone Program consists of six tax credits against corporate income taxes and state sales taxes. Job credits, applicable to either corporate income or state sales taxes, are available for eligible companies that hire Zone residents. Community contribution tax credits against corporate income taxes are available for cash and specified goods donated to eligible sponsors. Property tax credits up to \$50,000 are available against corporate income taxes for new or rehabilitated commercial construction. Sales tax is refunded for business machinery and equipment that is used exclusively in a Zone. Finally, building materials state sales tax refunds, and utility tax exemptions (municipal utility and state sales tax) are also available.



## **Where is the Enterprise Zone?**

The Enterprise Zone is a 9.83 square mile area within the boundaries of the City of Fort Myers and Lee County. A map of the boundaries of the area is located in this brochure and can be found on the Fort Myers Regional Partnership, Lee County's Economic Development Office website at [www.FortMyersRegionalPartnership.com](http://www.FortMyersRegionalPartnership.com). To look up property in the updated Enterprise Zone, visit: <http://gis.cityftmyers.com/enterprise>.

## **When can I apply?**

The Fort Myers/Lee County Enterprise Zone was reauthorized effective January 1, 2006, and is in effect for 10 years. Most of the tax savings requires that part-time or full-time, permanent employees be employed for at least three calendar months before the business is eligible to receive benefits. However, you don't need to employ any Zone residents to qualify for other refunds. Machinery and equipment sales tax refunds must be filed within six months of invoice.

## **How do I apply?**

The Fort Myers/Lee County Enterprise Zone Coordinator certifies all applications for the Zone refund programs. For applications and more information, contact the Fort Myers Regional Partnership, Lee County's Economic Development Office, at (239) 338-3161, or visit the State website at [www.floridaenterprisezone.com](http://www.floridaenterprisezone.com) to download forms.



## **BENEFITS SUMMARY**

### **Sales & Use Tax Credit for Job Creation**

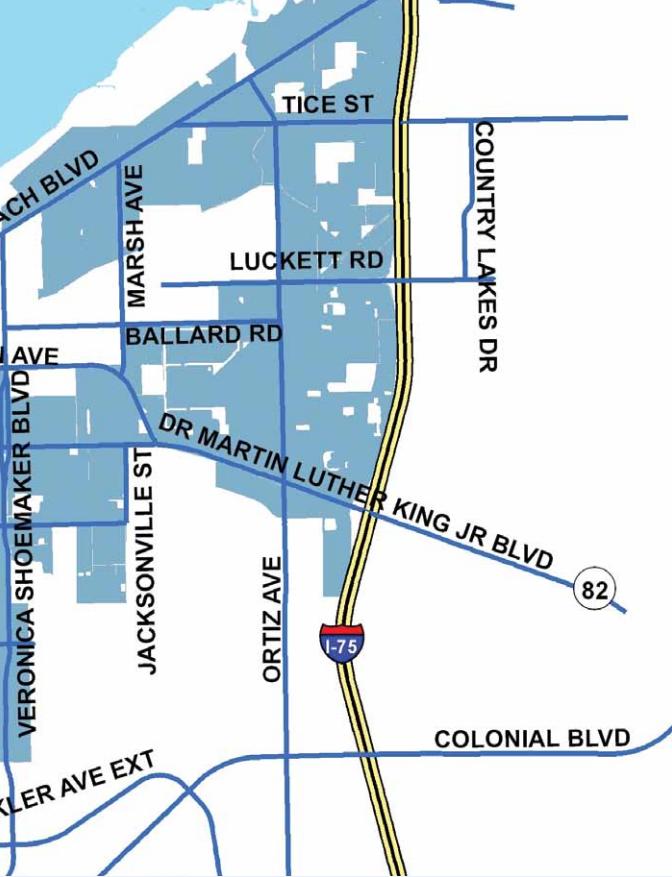
Allows businesses located in a Zone that collect and pay sales and use tax, a credit against sales tax due.

This credit is for wages paid to new employees who have been employed by the business for at least three consecutive months and are residents of a Zone (or welfare transition program participants who aren't required to live in the Zone to be eligible).

A new job must be created before the business earns a tax credit. A new employee cannot be an owner, partner, or stockholder.

### **Sales Tax Refund for Business Machinery & Equipment**

A refund is available for sales taxes paid on the purchase of certain business property (e.g. tangible personal property such as office equipment, warehouse equipment, and some industrial machinery and equipment), which will be used exclusively in a Zone for at least three years and costs \$5,000 or more.



### **Sales Tax Refund for Building Materials**

A refund is available for sales taxes paid on the purchase of building materials used to rehabilitate or build on real property located in a Zone. Incentives are limited to owners and lessees of the real property that is newly constructed or rehabilitated within the Zone.

Refunds are available only one time per parcel of real estate, unless there is a change in property ownership or leasing arrangements.

### **Sales Tax Exemption for Electrical Energy Used**

A 100% sales tax exemption is available if 20% or more of the permanent, full-time employees are residents of the Zone. A 50% sales tax exemption is available if less than 20% of the permanent, full-time employees are residents of the Zone.

Eligible businesses are: (1) businesses located in a newly occupied structure; (2) renovated structure (no electrical service for three months); or (3) has received a building materials sales tax refund.

Available only to businesses located in the City of Fort Myers portion of the Zone.



### **Corporate Income Tax Credit for Job Creation**

Allows businesses located in a Zone that pay state corporate income tax an income tax credit for wages paid to new employees who have been employed by the business for at least three consecutive months and are residents of a Zone (or are welfare transition program participants who don't have to live in the Zone to be eligible). A new job must be created before the business earns a tax credit.

### **Corporate Income Tax/Credit for Property Tax**

New or expanding businesses located in a Zone are allowed a tax credit against Florida corporate income tax equal to 96% of ad valorem taxes paid on the new or improved property. Five or more new full-time jobs must be established to qualify.

### **Corporate Income Tax Credit for Community Contributions**

Allows businesses anywhere in Florida a 50% credit on Florida corporate income tax, insurance premium tax or sales tax refund for donations to local community development projects located within a Zone. Donations must be made to an eligible sponsor conducting an approved community development project.

The annual amount of credit granted is limited to \$200,000 per firm and \$12,000,000 statewide.

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### **Fort Myers Regional Partnership Lee County's Economic Development Office**

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[www.floridaenterprisezone.com](http://www.floridaenterprisezone.com)



## **Local Incentives**

### ***City of Fort Myers Business Tax Receipt (formerly occupational license)***

Allows any business, occupation or profession located in the City of Fort Myers portion of the Zone to receive a 50% reduction of the business tax receipt each year.

### ***City of Fort Myers Water & Sewer Impact Fee Waiver (Commercial & Residential)***

Allows for any new construction for a commercial or residential project located in the City of Fort Myers portion of the Zone to receive a waiver of the water and sewer impact fees.

### ***Lee County Impact Fee Waivers (Residential)***

Allows for any new construction for a residential dwelling located in the City of Fort Myers portion of the Zone to receive waivers of impact fees for community parks, EMS, fire, regional parks & roads.

### ***Lee County Property Tax Exemption for Child Care Facility***

Any real estate used and owned as a child care facility that operates in an Enterprise zone is exempt 100% from property tax. Child care facility operators must hold a current license by the Florida Department of Children and Families or local licensing authority. Application for Exemption Certification must be submitted to the Enterprise Zone Coordinator on or before February 1 of each year for which exemption is claimed.

