

TARGETED TAX REFORM

Furthering Smarter and More Competitive Tax Policies

Why It Matters to Florida

A competitive and equitable tax system creates jobs and strengthens the economy. With 5.4 million more people expected to call Florida home by 2030, Florida will need to create 2 million jobs to maintain a 5 percent unemployment. One key to creating jobs for this growing population will be a competitive and equitable tax system. Yet, Florida is the only state in the nation that taxes businesses on rent – setting up discouraging and discriminatory tax policies.

Florida's Competitiveness Agenda

In order for Florida's businesses to grow and remain competitive the Florida Chamber will continue to support:

▶ **Eliminating Florida's Business Rent Tax**

Florida is currently the only state in the nation that charges a Business Rent Tax. That means in Florida, businesses pay a six percent tax on the space they lease, including added costs to that lease, such as property taxes, maintenance and the cost of insurance — meaning some businesses are subject to double taxation. This tax costs Florida businesses \$1.7 billion every single year. A one percent reduction this year advocated by the Florida Chamber would keep \$287 million in the hands of Florida's job creators, allowing them to hire additional employees, make improvements and reinvest back into their businesses.

▶ **Reducing Corporate Income Tax**

The Florida Chamber will continue to support reducing Florida's corporate income tax. Since Governor Scott and the Florida Chamber started championing the increase of the corporate income tax exemption in 2011, 79 percent of qualifying Florida businesses are fully exempt from paying corporate income tax under the current \$50,000 exemption. This helps businesses focus on creating jobs and hiring Floridians.

▶ **Research & Development Tax Credit**

Thanks to the efforts of the Florida Chamber, business leaders and legislative leadership, the Florida Legislature increased the R&D Tax Credit cap from \$9 million to \$23 million for one year in 2015, and modified the program to allow the credits to be pro-rated, instead of being awarded on a mad dash, first-come first-serve basis. The increased demand for this tax credit had in the past resulted in applications being denied, causing our state to lose out on important R&D and high-wage job creators.

The Fight for Free Enterprise Continues

The time for targeted tax reform is now. Meaningful and pro-growth tax reform will position Florida for stronger economic growth. Lowering taxes, simplifying America's tax code and cutting the Florida-only business rent tax will help relieve burdens on Florida's business, job creators, and families. Instead of short-term solutions, the Florida Chamber believes in creating long-term sustainable outcomes so Florida can continue to attract and grow the top businesses in the nation.



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GET INVOLVED:

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