

Community Contribution Tax Credit Program



The Community Contribution Tax Credit Program (CCTCP) provides a financial incentive (50% tax credit) to encourage Florida businesses to make donations toward community development and housing projects for low-income persons.

The tax credit is easy for a business to receive. Businesses located anywhere in Florida that make donations to approved community development capital projects located in an



enterprise zone may receive a tax credit equal to 50 percent of the value of the donation. Businesses may take the credit on Florida corporate income tax, insurance premium tax or as a refund against sales tax (for businesses or individuals registered to collect and remit sales taxes with the Department of Revenue). In addition, contributing businesses may also receive a federal charitable tax deduction of up to 35% for making a gift.

Before making a donation, please be sure it will qualify. To receive approval, a business donating to an eligible sponsor need only submit a tax credit application with the

Office of Tourism, Trade and Economic Development (OTTED). In order to claim the tax credit, simply attach proof of the approved donation when you file your state tax return. In order to claim a sales tax refund, submit an Application for a Sales Tax Refund.

This summary is based on Florida Statutes (sections 212.08 (5) (q), 220.183 and 624.5105). Readers are advised to consult these references for additional details.

For further information, please contact:

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How To Become an Approved CCTCP Donor

Who is Eligible?

Any corporation paying Florida corporate income tax or insurance premium tax is eligible to receive a tax credit equal to 50 percent of the value of donations to approved projects. Any business or individual registered with the Department of Revenue to collect and remit sales tax is eligible to apply for a 50% refund of their sales and use tax remitted.

What is an Eligible Contribution?

Cash, property, and goods donated to approved sponsors are eligible for the credit. Donations must be directly used in the approved project. Dues and services are not eligible donations. Contributions may not be used to pay the administrative or operational costs of the sponsor.

An organization must be approved as a sponsor before it receives a donation eligible for this tax credit. Academy Prep is an approved sponsor.

How Much Credit Can A Business Receive?

A business is eligible to receive credits of up to \$200,000 per tax year.

Unused corporate income tax credits may be carried over for up to 5 years.

Unused sales tax refunds may be claimed for three years after the first refund application.

Each fiscal year (July 1 to June 30), the legislature sets a dollar amount for available tax credits. Since 1999, the limit has been set at \$10 million per year in tax credits.

To Claim a 50 Percent Tax Credit Your Business Needs To:

1. Contact OTTED to determine whether or not the contribution qualifies for a tax credit.
2. Send a completed Application for a Community Contribution Tax Credit (Form 8E-17TCA#01) to OTTED, with the following attachments:
 - A copy of the check, invoice(s), or deed and appraisal (within 12 months)
 - A copy of the sponsor's approval or recertification letter
 - Proof that the donation was received (Sponsor Acknowledgement letter)
3. Submit a copy of the donation approval letter when you file your Florida Corporate Income Tax Return (form F-1120) or Insurance Premium Tax Return (DR-908).

Complete steps 1 and 2 above and submit an Application for Refund (Form DR-26S) along with a copy of OTTED's approval letter (only one sales tax refund application per year).

Academy Prep is pleased to facilitate the application process for any participating business.

