



Corporate Income Tax Credits

Through the Florida Tax Credit (FTC) Scholarship Program ([Florida Statutes, Section 1002.395](#)), dollar-for-dollar tax credits are provided to companies that redirect their Florida corporate income tax to Step Up For Students, a state-approved Scholarship Funding Organization (SFO). Up to 100% of a corporation's liability is eligible. The funds provide K-12 scholarships to disadvantaged children.

When companies invest in our program, they make a lasting impact on the lives of scholarship students and inspire a brighter future through personalized education.

STEP 1: RESERVE

Enrolling online is easy - visit <https://taxapps.floridarevenue.com/sfo/AllocationApplication.aspx> and complete the Florida Department of Revenue (DOR) online application. Companies may apply for credits more than once and will be approved if credits are available in the funding cap. Reserving credits does not oblige a company to remit the funds – it is merely a way for the DOR to ensure that the annual maximum in tax credits is not oversubscribed.

STEP 2: REMIT

Payments can be made to Step Up For Students by check, wire or ACH transfer. Upon receipt of payment, Step Up will provide a Certificate of Contribution.

For tax years starting on or after January 1, 2018, payment may be made by the date your company is required to file its Florida corporate income/franchise tax return for that tax year, including any valid extended due date. To avoid potential penalties associated with the failure to pay the required tentative taxes, tax credits should be reserved within a corporation's fiscal year or before requesting an extension of time to file the return. Additionally, contributions to Step Up count toward any estimated payment and reduce the corporation's exposure for underpayment penalties. Together, this flexibility allows corporations to maximize the value of their money while reducing the risk with planning. For more information, refer to Florida DOR [TIP 18ADM-03](#).

STEP 3: REPORT

The tax credit is reported on Line 12 (Florida Tax Credit Scholarship Program Credits) of Schedule V of the Florida Corporate Income/Franchise Tax Return (Form F-1120). The DOR approval letter and Certificate(s) of Contribution are required to substantiate the tax credit.

A company using the "general" or "standard" method of determining its estimated quarterly payments should net the remittance amount from its state tax liability (after the application of any other allowable credits). Please note that any state tax liability remaining after the credits are reserved should be paid as normal estimated tax payments to the Florida DOR.

ADDITIONAL INFORMATION

Transferring Credits: The tax credit can be transferred between members of an affiliated group of corporations, but not between tax types. Companies must notify the Florida DOR in writing of their intent to transfer credits. See Florida DOR [TIP 14ADM-03](#) for additional information. The Notice of Intent to Transfer Credits can be found on the Florida DOR website at http://floridarevenue.com/Forms_library/current/dr116200.pdf.

Credit Carry Forward: If a company determines it has insufficient tax liability to take the full credit (amount remitted is greater than 100% of net tax liability), companies may carry forward the unused credit. For tax credits earned in a taxable year beginning on or after January 1, 2018, the carry-forward period is 10 years for contributions made on or after January 1, 2018. Contributions made in a taxable year prior to January 1, 2018, fall under the previous limit of five years.

Rescission: By completing a rescindment application, your company is releasing your reserved tax credits back into the program cap. There is no penalty for rescinding a pledge. To complete the rescindment application on the Florida DOR website, please go to: <https://taxapps.floridarevenue.com/sfo/RescindmentApplication.aspx>.

Detailed instructions are available to guide you through enrollment and/or rescindment. Please contact Tim Bodamer at TBodamer@SUFS.org or (866) 344-9553 for more information.