

Allocation for Research and Development Tax Credit for Florida Corporate Income Franchise Tax

Applications may be filed with the Department between 12:00 a.m., ET, March 20 and 11:59 p.m., ET, March 26 of each calendar year for which the credit is available. If the total credits for all qualified applicants exceed the tax credit cap, the Department will allocate credits on a pro-rated basis.

Instructions

Once you complete this application, you will receive a confirmation number. The screen will display the information entered and confirm receipt of the electronic application for credit allocation. You will be able to print this information and confirmation number.

The Department will send you written correspondence within 10 working days of March 27. We will either approve an amount of tax credit allocation or explain why a credit allocation could not be approved.

About the Research and Development Tax Credit

The credit is available annually and is based upon qualified research expenses in Florida allowed under section (c) 41 of the Internal Revenue Code (IRC). Approved tax credits will be based on qualified research expenses incurred during the prior calendar year.

Who May Apply

Corporations, as defined in 26 USC 1361, that also meet the definition of qualified target industry business, established in 26 USC 199(c)(2)(D), F.S., may apply. However, only qualified target industry businesses in the manufacturing, life sciences, information technology, aviation and aerospace, homeland security and defense, cloud information technology, marine sciences, materials science, and nanotechnology industries may qualify for a tax credit.

A corporation applying for the tax credit must include a letter from the Department of Economic Opportunity certifying that it is an eligible qualified target industry business with its application.

Federal Income Tax Credit

To receive a Florida research and development tax credit, the corporation must claim and be allowed a research credit for the taxable year against federal income tax for qualified research expenses under s. 41, IRC. Attach federal Form 6765 (Credit for Increasing Research Activities) and federal Form 2820 (General Business Credit) to Florida Form F-1120 (Florida Corporate Income Tax Return) when claiming the Florida credit. For federal forms, see www.irs.gov/forms-4-pubs.