

Corporate Income Tax Credits

Florida Tax Credit Scholarship Program



Take the credit – and help underprivileged students attend a school that best meets their needs. Companies that partner with Step Up For Students can fund needs-based scholarships for Florida’s K-12 schoolchildren with dollar-for-dollar tax credits through the Florida Tax Credit (FTC) Scholarship Program. Up to 100% of a company’s annual corporate income tax (CIT) liability is eligible to help make a meaningful impact on the lives of Florida students.

RESERVE

Enrolling is easy with this online Florida DOR form: <https://taxapps.floridarevenue.com/sfo/AllocationApplication.aspx>. Credits may be reserved more than once during the year. The approval process does not oblige the company to remit the funds – it is merely a way for the DOR to track the tax credits. Applications are processed within 10 business days. 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.

REMIT: Credits & Estimated Payments

Payments are made directly to Step Up For Students via check, wire or ACH transfer. Upon receipt, Step Up provides a Certificate of Contribution. Payments must be remitted on or before the date the corporation is required to file a return, including any valid extended due date, pursuant to [Florida Statutes, Section 220.222](#). Any state tax liability remaining after the credits are reserved should be paid as normal estimated tax payments to the Florida DOR.

FTC CONTRIBUTIONS AND MINIMUM ESTIMATED TAX PAYMENTS

“General” Calculation	A company using the “general” or “standard” method of determining estimated quarterly payments should net the remittance amount from its state tax liability (after the application of any other allowable credits). This provides companies the flexibility to select a payment schedule that works best for them.
“Prior Year Exception” Calculation	Earned tax credits are automatically applied to any estimated tax payment for purposes of calculating the prior year exception, thereby avoiding penalties and interest associated with the underpayment of any estimated taxes. Contributions made at any time will offset the first estimated tax payment and any remainder will be carried forward to offset subsequent estimated payments. This flexibility allows corporations to maximize the value of their money while reducing the risk with planning. For more information, refer to FLDOR TIP 18ADM-03 . Please note that underpayment of tentative tax is subject to interest and a 1% penalty per month under section 220.32(3), F.S. If the corporation receives an extension to file its return and underpays the total corporate income tax due (after FTC credits taken) by the greater of \$2,000 or 30%, then the corporation is subject to a penalty in the amount of 10% per month under section 220.801(1), F.S.

A corporation redirecting 100% of its corporate income tax can maximize the time value of money when paying Step Up in one lump-sum, in accordance with a corporation’s annual return filing or extension return filing.

REPORT

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

ADDITIONAL INFORMATION

Credit Carry Forward: Earned, unused credits are automatically carried forward for up to 10 years.

Transferring Credits: Credits of the same tax type can be transferred between members of an affiliated group of corporations. Refer to [TIP 14ADM-03](#)

Rescission: There is no penalty for rescinding credits that will not be utilized.