

Alcoholic Beverage Excise Tax Credits

Through the Florida Tax Credit (FTC) Scholarship Program ([Florida Statute 1002.395](#)), dollar-for-dollar tax credits are provided to companies that redirect their alcoholic beverage excise tax to Step Up For Students, a state-approved Scholarship Funding Organization (SFO). Up to 90 percent 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. **Taximize** is the word we've coined to describe how a company can optimize its tax liability to invest in underprivileged students through dollar-for-dollar tax credits. **Will you taximize?**

STEP 1: RESERVE

Enrolling online is easy - visit <https://taxapps.floridarevenue.com/sfo/AllocationApplication.aspx> and complete the Florida DOR's online application. Up to 90 percent of any tax due under s.563.05, s.564.06 or s.565.12, except excise taxes imposed on wine manufactured from products grown in Florida, is eligible for the tax credit. You may apply once for the entire state fiscal year (July 1 – June 30) or multiple times for a maximum of 90 percent of your projected annual alcoholic beverage tax. 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

Once you have received your approval letter from the DOR, you can remit the lesser of (1) the amount approved or (2) up to 90 percent of each month's tax directly to Step Up For Students. Payments can be made by check, wire or ACH. Upon receipt of payment, Step Up For Students will provide a Certificate of Contribution. The Florida DABT requires credits to be submitted by 5pm the business day prior to the report deadline of the 10th. Payments should be received in time to meet this deadline.

STEP 3: REPORT

As a convenience to our donors, upon receipt of payment we provide a copy of the Certificate(s) of Contribution to you and EDS Support at the same time. EDS Support will then issue an electronic credit to the company and provide an ABT certificate.

For electronic filers, the credits are automatically applied, and your tax liabilities will be reduced by the credit amounts.

For paper filers, the Step Up Certificate of Contribution and the ABT Certificate both need to be attached. To take the credit on your excise tax return, complete the "Certificate of Credit" for the credit you take each month and indicate the certificate number from the Certificate of Contribution. A copy of the Certificate should also be attached to the return when it is filed.

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 more information. The Notice of Intent to Transfer Credits can be found on the FL 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 percent of net tax liability), companies may carry forward the unused credit. For tax credits earned in a taxable year beginning on or after Jan. 1, 2018, the carry-forward period is 10 years for contributions made on or after Jan. 1, 2018. Contributions made in a taxable year prior to Jan. 1, 2018, fall under the previous limit of five years.

Rescission: Sometimes it is necessary for a corporation to rescind all or part of their pledge(s). By completing a rescindment application, your company is releasing your reserved tax credits back into the program cap, allowing other companies to step in and fulfill that amount. There is no penalty for rescinding a pledge. To complete the rescindment application on the FL DOR website, please go to: <https://taxapps.floridarevenue.com/sfo/RescindmentApplication.aspx>

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