

POLK COUNTY ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION



Guidelines & Application

The **Polk County Economic Development Ad Valorem Tax Exemption (“Exemption”)** is an exemption of taxes to encourage quality job growth in targeted high value added businesses. The exemption was implemented to support economic growth and enhance the county’s ability to be competitive. The Exemption was designed to encourage new business development and retain local business with planned expansions.

ELIGIBILITY: The company must:

- Be a Qualified Targeted Industry (QTI) as defined by Enterprise Florida.
- Create at least 10 net, new full time jobs.
- Pay an average annual wage that is at least 115% of Polk County’s average annual wage (average annual wage includes overtime and bonus, but not benefits). 115% of the average annual wage is \$47,204 or \$22.69/per hour (2019)* *Currently manufacturing projects are eligible to receive a waiver of the average wage requirement as authorized by s 288.106(4)1.b Florida Statutes; this allows an average annual wage which is at least 100% but less than 115%. The average annual wage changes annually, January 1st.*
- Projects must invest a combined, minimum of \$5 million in building(s) (real) and equipment (tangible).
- Improvements to real property made before an exemption is granted by Ordinance adopted by the BoCC will not be eligible for exemption.

APPLICATION PROCESS:

- Completed applications should be submitted to the Polk County Manager or his designee Beneshea Frazier, Business Assistance Manager at the Neil Combee Administration Building, 330 West Church Street, P.O. Box 9005, Drawer CA01, Bartow, FL 33831-9005.
- The application must include a letter of recommendation from the Central Florida Development Council or your local economic development council.
- The County Manager’s Office will review the application for completeness and will promptly deliver a copy to the Polk County Property Appraiser for review. Once the Property Appraiser’s office has reviewed the application, they will provide a report to the County Manager/ Board of County Commissioners (BoCC).
- A public hearing will be scheduled before the BoCC no later than forty-five (45) days of receipt of the Property Appraiser’s report.
- No fees will be charged for processing the application or an exemption ordinance adopted by the BoCC.

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MANUFACTURING/EZ & BROWNFIELD			
Jobs	Average Wage	Years	Abatement
10	100% + \$5 million capital investment	3	25%
25	100% + \$5 million capital investment	3	50%
100	100% + \$5 million capital investment	3	75%
300	100% + \$5 million capital investment	3	100%
QUALIFIED TARGETED INDUSTRY (QTI)			
Jobs	Average Wage	Years	Abatement
10	115% + \$5 million Capital Investment	5	25%
25	115% + \$5 million Capital Investment	5	50%
100	115% + \$5 million Capital Investment	5	75%
300	115% + \$5 million Capital Investment	5	100%
Jobs	Average Wage	Years	Abatement
10	115% + \$10 million Capital Investment	7	25%
25	115% + \$10 million Capital Investment	7	50%
100	115% + \$10 million Capital Investment	7	75%
300	115% + \$10 million Capital Investment	7	100%
Jobs	Average Wage	Years	Abatement
10	115% + \$15 million Capital Investment	10	25%
25	115% + \$15 million Capital Investment	10	50%
100	115% + \$15 million Capital Investment	10	75%
300	115% + \$15 million Capital Investment	10	100%

Exemption Criteria:

In making its determination as to whether to grant an exemption, the BoCC will apply the exemption criteria; provided that the BoCC in its sole and absolute discretion may deviate from the exemption criteria when considering applications from high value business that is in the best interest of Polk County.

EXAMPLES:

Company is approved for a MANUFACTURING + \$5 million capital investment exemption and receives a 3 year exemption at 50%

\$12,000,000 (capital investment/or County Property Appraiser's assessment) x .0067815 (millage rate) x .50 exemption ≈ \$40,689 per year.
(\$122,067 over 3 years). Assuming 25 jobs are created, this equals to approximately \$4,883 per job.

Company is approved for an QTI exemption + \$5 million capital investment. They receive a 5 year exemption at 50%

\$5,000,000 (capital investment/or County Property Appraiser's assessment) x .0067815 (millage rate) x .50 exemption ≈ \$16,954 per year (\$84,770 over 5 years). Assuming 60 jobs are created, this equals approximately \$1,413 per job.

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Approval Process:

- The Polk County Board of County Commissioners (BoCC) has final approval of all projects.
- The Property Appraiser's office and the BoCC will make every effort to expedite the process to meet the applicant's schedule and will take no more than forty-five (45) days to evaluate a completed application.
- In making its determination as to whether to grant an exemption, the BoCC will apply the exemption criteria; provided that the BoCC in its sole and absolute discretion may deviate from the exemption criteria when considering applications from high value business that is in the best interest of Polk County.

Application Process

Completed applications should be submitted to the Polk County Manager or his designee Beneshea Frazier, Business Assistance Manager at the Neil Combee Administration Building, 330 West Church Street, P.O. Box 9005, Drawer CA01, Bartow, FL 33831-9005.

In accordance with Polk County Ordinance No. 2015 – 064 any business requesting Ad Valorem Tax Exemption must provide the following information to the Polk County Manager's office. The County Manager or his/her designee will review the application for completeness and will promptly deliver a copy to the Polk County Property Appraiser who will also review the completed application and will submit a report to the Polk County Manager's office. The County Manager will present the application to the Board of County Commissioners for approval.

In accordance with the Ordinance and Florida Statutes the following information is required:

1. Complete and submit the Department of Revenue Economic Development Ad Valorem Property Tax Exemption form (Dr-418)
2. Attach a copy of Enterprise Florida's General Project Overview (GPO) or AVTE application along with all necessary documentation showing eligibility for an exemption
3. Provide a letter of recommendation for the project form your local economic development council office
4. The applicant is required to submit an annual renewal statement and an annual report to the Program Administrator on or before March 1st of each year in which the exemption is granted

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Legal disclaimer:

the undersigned person hereby affirms that all information is true to the best of their knowledge

Name

Date

Title

Company

Signature

Definitions

Full Time Employee: A full time employee means a person who is employed by a Business that works at least 35 hours per week and is eligible to receive benefits including health benefits, through their employer, subject to any eligible vesting periods.

Company Information

1 Legal name of applicant

2 Primary contact for Applicant

Name

Title

Telephone

Email

Address

3 Total number of full time employees

4 What type of legal entity is the applicant?

Project Overview

5 Company is new to Florida? Yes/no

6 Company is existing business creating or retaining jobs? Yes/no

7 How many employees of the parent company will be transferred to Polk County from other locations and will be employed full time?

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Project Overview

8 Describe the project (use additional pages if necessary)

9 What is the commencement date of the project?

10 What are the primary job functions and associated wages?

Job functions

Wages

a

b

c

d

e

11 Proposed permanent location for project?

12 is project a Qualified Target Industry for the State of Florida?

13 If yes what Industry Sector?

Job and Wages

14 How many new to Polk County Full Time jobs are projected to be created

15 If project is an expansion, how many Full Time jobs that would have otherwise moved to another County or State are projected to be retained?

16 What is the projected annual average wage (excluding benefits) of full time employees

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Competitive Nature of Project

What is the advantage of locating project in Polk County?

22 What are the disadvantages of locating project in Polk County?

23 Are there any other internal or external competitive issues impacting the applicants decision to locate project in Polk County?

24 Has the applicant received an Ad Valorem Tax Incentive from Polk County in the past?

25 Is applicant applying for any other incentives with the State of Florida or local municipality?
Please List other incentives and amount associated with each

- a
- b
- c
- d
- e

Confidentiality

26 is applicant requesting confidential treatment of project in accordance with Florida Statute 288.075?



Office Use

Name assigned to project

Expected date to go before Board of County Commissioners for Public Hearing

Municipality (if any) partnering in project

Other Incentives from County utilized by applicant

County Attorney assigned to project

Project Manager assigned to project