



THE CAPITOLIST

Florida “out of the game” without financial incentives

by Karen Murphy | Jan 21, 2021



The head of Broward County’s economic development partnership said that Florida is “out of the game” when it comes to attracting new businesses from out of state, which is key to diversifying Florida’s economy and making it less vulnerable to unforeseen disasters like the COVID pandemic.

President and CEO of the Greater Fort Lauderdale Alliance **Bob Swindell** told a virtually gathered panel of economic development council leaders and some Florida representatives, including State Senator **Danny Burgess**, R-Zephyrhills, that unless Florida reinstates an incentive program

eliminated in 2020 by the Florida legislature, Florida will not be able to attract the kinds of businesses it needs to diversify its economy following the pandemic.

He said during the *Florida Economic Development Council's (FEDC) Virtual Engagement: Putting Floridians Back to Work* that while Florida has geographical assets, no personal income tax, large talent pool, great lifestyle, etc., Florida cannot compete with states like Texas, Tennessee, Georgia and North Carolina when it comes to what he called the "icing on the cake," financial incentives.

"Negotiating financial incentives is part of the game," Swindell said. And, without the reinstatement of Qualified Target Industry Tax Refund program (QTI), Florida is not even in the game.

Representative **Chip LaMarca**, R-Lighthouse Point agreed Florida needs to compete with other states like Texas and Georgia in attracting new business, but said, "We don't need to hand out money to get business here."

Swindell and the Florida Economic Development Council do not see QTI as a handout.

According to the FEDC, the QTI Tax Refund program attracts industries that create high quality and high wage jobs. The goal is to diversify Florida's economy so that it is less reliant on agriculture, tourism and new construction, which are highly susceptible to market down turns, natural disasters and pandemics.

It a tax refund program that would refund portions of the corporate income tax, insurance premium tax and sales tax that the business has already paid to the state. Businesses participating in the QTI Tax Refund program would only be provided refunds once jobs are created, taxes are paid by the business and performance is verified.

John Boyd, Jr, Principal of The Boyd Company, Inc., a national leader in assisting relocating businesses, like Boeing, in site selection, said "Florida is less competitive than two years ago when it started dismantling its incentive programs."

He cited the slashing of Enterprise Florida funding in 2017 and the elimination of QTI in 2020 as specific examples.

"QTI was a powerful and effective program that generated thousands of jobs," Boyd said. "Florida is missing out on billions."

Lockhead Martin's Government Relations Director **John Mayer** agreed. He said currently one in four businesses are considering relocating their operations.

"Florida needs to either seize this opportunity or it will pass us by," he said. "It is a transformational time, and we need to seize the moment. This will affect Florida for decades."