



# Reshoring Institute

# FLORIDA

## State Economic Survey and Incentive Comparison

### CONTACT INFORMATION

**Contact Names:** Enterprise Florida, Inc.

**Contact Phone Numbers:** (407) 956-5600

**Contact Email Addresses:**

<https://www.enterpriseflorida.com/contact/>

**US State Name:** Florida

**State Abbreviation:** FL

**State Economic Development Web Address:**  
[www.eflorida.com](http://www.eflorida.com)

**State Economic Development Email Address:**  
<https://www.enterpriseflorida.com/contact/>

**State Economic Development Phone Number:**  
(407) 956-5600

**Additional Relevant Links for Relocating  
Companies:**

**CareerSource Florida (workforce):**  
<https://careersourceflorida.com/>

**Florida Department of Economic Opportunity:**  
<http://www.floridajobs.org/>

**Site Selection Database:**  
<http://www.FindItFlorida.site>

## INCOME AND OUTPUT

This section highlights your state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

**Gross Domestic Product, in millions (2018):** \$1,039,236.4M (BEA, current dollars)

**Gross Domestic Product % Growth (2009-2018):** 1.4% (BEA, current dollars)

(\*GDP/Population) This is often used as a standard of living measurement: \$48,388 (BEA, current dollars)

**Per Capita Personal Income (2018):** \$50,070 (BEA, current dollars)

**Per Capita Personal Income % Change (2009-2018):** 2.5% (BEA, current dollars)

Source: <https://apps.bea.gov/regional/bearfacts/action.cfm#tabs-2>

Source: <https://www.deptofnumbers.com/gdp/florida/>

## WORKFORCE

This section gives manufacturers an idea of the industry's environment in your state, including the makeup of the available workforce, the labor requirements, and recent trends.

**Total Population (2019):** 21,477,000 (Census)

**Population percent change (2009 – 2014):** Used to determine economic growth, land development, potential talent, and available workforce: 14.0% (Census)

**Total Civilian Labor Force (2020):** 9,700,000 (Florida Department of Economic Opportunity, [Source](#))

**Total Number of Persons Employed (2020):** 28,300,000 (Florida Department of Economic Opportunity, [Source](#))

**Total Number of Persons Unemployed (2020):** 1,412,000 (Florida Department of Economic Opportunity, [Source](#))

**Unemployment Rate % (2020):** 14.5% (Annual, Not Seasonally Adjusted, Florida Department of Economic Opportunity, [Source](#))

Additional dashboards and breakdown of employment by sectors found [here](#).

**State Right-to-Work Law Y/N:** Yes

**% of Workers Represented by Unions (2019):** 7.6% (BLS, [Source](#))

**% Union Membership (2019):** 6.2 % (BLS, [Source](#))

**% Private Sector Union Membership (2019):** 3.0% (Source: [www.unionstats.com](http://www.unionstats.com))

**Large Factory Closures During Previous Year (2019):** Costa Del Mar (295), Qorvo (142), Taurus Holdings (175), Panelfold (131) (Department of Economic Development, [Source](#))

**Source:** [https://www.bls.gov/regions/southeast/florida.htm#eag\\_fl.f.1](https://www.bls.gov/regions/southeast/florida.htm#eag_fl.f.1)

## EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

**% High School Diploma or More (2018):** 88% (Census American Community Survey, [Source](#))

**% Bachelor's Degree or Higher (2018):** 29.2% (Census American Community Survey, [Source](#))

**Enrollment in Higher Education Institutions (2019):** All Students, 933,180 (National Student Clearinghouse Research Center, [Source](#))

**Expenditures per Pupil in Public Schools (2018-2019):** \$8,560 ([Source](#))

**List of High School, College, or University Manufacturing Partnership Programs:**

**Apprentice Florida** is a partnership between the Florida Department of Education, the Florida Department of Economic Opportunity and CareerSource Florida. Registered Apprentice program information:

<https://apprenticeflorida.com/>



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## COST OF DOING BUSINESS

This section highlights the costs associated with doing business in your state including taxes, wages, insurance, and energy expenses.

**Average State and Local Sales Tax %:** State: 6%/ Local Avg: 1.05%= combined: 7.05% ([Source](#))

**State and Local Taxes per Capita:** \$3,517

**State and Local Taxes per \$1000 Income:** State: 5.6%/ Local: 6.7%= combined: 12.3%

**State and Local Revenue as a Percentage of Personal Income (2017):** 7.77% ([Source](#))

**State Level Sales Tax:** 6%

**Unemployment Insurance Tax %:** 0.1% to 5.4% ([Source](#))

**Unemployment Insurance Tax per Employee:** \$7 - \$378 ([Source](#))

**Taxable Wage Base for Unemployment Insurance:** \$7000 ([Source](#))

**Additional Relevant Taxes:** Summary of Florida taxes and assessments found [here](#)

**Average Industrial Electric Rate (2019):** 7.48 cents/kWh (Energy Information Administration, [Source](#))

**Average Price of Natural Gas Delivered to Industrial Consumers (2018):** \$11.20/Thousand Cubic Feet (Energy Information Administration, [Source](#))

**Average Annual Cost Paid by Employers for Health Premiums for Family Coverage:** \$5908 ([Source](#))

**Average Annual Cost of Employment-Based Health Premiums for Family Coverage:** \$18,934 ([Source](#))

**Minimum Wage (2020):** Current \$8.56

**Pending Legislation Regarding Minimum Wage:** None

**If you answered YES to the above question, what is the proposed minimum wage?** N/A

**If you answered YES to the above question, what is the legislative bill number?** N/A

<https://floridatxwatch.org/Research/Full-Library/ArtMID/34407/ArticleID/18770/2019-How-Florida-Compares-Taxes>

**Other State Tax Considerations:**

0% corporate income tax on limited partnerships

0% corporate income tax on subchapter S-corporations



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0% state personal income tax, guaranteed by constitutional provision

0% corporate franchise tax on capital stock

0% state-level property tax assessed

0% property tax on business inventories

0% property tax on goods-in-transit for up to 180 days

0% sales and use tax on goods manufactured or produced in Florida for export outside the state

0% sales tax on purchases of raw materials incorporated in a final product for resale, including non-reusable containers or packaging

0% sales and use tax on co-generation of electricity provision

## FISCAL STRENGTH

**General Obligation Bond Ratings (2020):** AAa (Moody's); AAA (Standard and Poor's); AAA (Fitch)

**State and Local Long-Term Debt per Capita (2012):** \$7651 ([Source](#))

**Total State Debt per Capita (2015):** \$1,646 ([Source](#))

## ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of your state in terms of business innovation through awards, venture capital, and intellectual property attainment.

**Total Small Business Innovation Research (SBIR) Awards (2019):** 121 awards, \$25.4 million ([Source](#))

**Total Small Business Technology Transfer (STTR) Awards (2019):** 16 awards, \$2.1 million ([Source](#))

**Total Value of SBIR and STTR Awards (2019):** \$27.5 million

**% of State with Internet Accessibility:** 98.3% have access to internet lines; 96% have access to broadband of 100 mbps or faster ([Source](#))

**Newly Registered Patents (2019):** 5543 ([Source](#))



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## FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

### Foreign Direct Announcements:

- Florida ranks 1st in the Southeast and 4th in the U.S. for direct and indirect jobs related to FDI.
- Every direct FDI job created in Florida supports another three additional jobs in the state.
- Thirty percent of manufacturing jobs in Florida are supported by global investment.
- Direct FDI jobs in Florida provide an average annual compensation (wages and benefits) of \$63,300 versus an overall state average compensation of \$46,100. Average compensation for direct FDI jobs in the manufacturing sector is even higher at \$70,900, which is \$24,800 more than the state average.

**Foreign Direct Employment (2017):** 368,100

**Foreign Direct Investment, in millions (2016):** 1,005 (2016, Florida Chamber, [Source](#))

**For further information:**

[Foreign Direct Investment in Florida \(Updated June 2020\)](#)

[Enterprise Florida FDI Page](#)

## TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of your state and what a company can expect in terms of the logistics of shipping their product.

**Major 2 or 4-Lane Highways running through state:** 12,103 centerline miles of State Highway System

**# of major railways going through state:** 14

**# of major ports connected to state:** 15 deepwater

**# of airports throughout state:** 20 commercial

**# of International airports throughout state:** 4

**Distance from largest manufacturing region to nearest metro area:** Adjacent

**# of foreign trade zones:** 21



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**For more information on Florida transportation infrastructure:**

[https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/fastfactsdce18ce94ae1462e927016f398c543b3.pdf?sfvrsn=29ef5de8\\_8](https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/fastfactsdce18ce94ae1462e927016f398c543b3.pdf?sfvrsn=29ef5de8_8)

**For more information on logistics operations in Florida:** <https://www.enterpriseflorida.com/wp-content/uploads/brief-logistics-florida.pdf>

## INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

**Florida's Targeted Industries:** [https://www.enterpriseflorida.com/wp-content/uploads/SI\\_Targeted\\_Industries.pdf](https://www.enterpriseflorida.com/wp-content/uploads/SI_Targeted_Industries.pdf)

### Pending Legislation

**Proposed Incentives Currently Pending Approval (Y/N):** No

**If you answered YES above, please describe the pending incentives including the bill number if applicable:** N/A

### State Tax Credits

**Does your state provide any Tax Credit incentives? (Y/N):** Yes

**If you answered YES above, Please describe the available tax credits:**

**Capital Investment Tax Credit (CITC)** – Used to attract and grow capital-intensive industries in Florida. It is an annual credit against the corporate income tax which is available for up to 20 years in an amount equal to 5% of the eligible capital costs generated by a qualifying project. Eligible capital costs include all expenses incurred in the acquisition, construction, installation and equipping of a project from the beginning of construction to the commencement of operations. Available to businesses in HIPI-designated sectors. Businesses must make an investment of at least \$100M to receive the full credit.

**Rural and Urban Job Tax Credits** – An incentive for eligible businesses located within one of 15 rural areas or 13 urban areas to create new jobs. The tax credit ranges from \$500 to \$2,000 per qualified employee and can be taken against either the Florida Corporate Income Tax or the Florida Sales and Use Tax. These tax credits are provided to encourage meaningful employment opportunities that will improve the quality of life of those employed and to encourage economic expansion of businesses in rural and urban areas of Florida.

The Research and Development Tax Credit, authorized under 220.196 Florida Statutes, is available to a business enterprise that has qualified research expenses in Florida in the taxable year exceeding the base amount and, for the same taxable year, claims and is allowed a research credit for such qualified research expenses under 26 U.S.C. s. 41. The business must be a part of a Target Industry as defined in 288.106 Florida Statutes. The credit is



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equal to 10 percent of the excess qualified research expenses in Florida that exceeds the average Florida qualified research expenses allowed to the previous four tax years (base amount).

## **State Tax Exemptions**

**Does your state provide any Tax Exemptions? (Y/N): Yes**

**If you answered YES above, Please describe the available tax exemptions:**

Semiconductor, Space and Defense Sales and Use Tax Exemption – Used to attract and grow businesses in these sectors by providing an exemption for all sales and use taxes on investments in machinery and equipment used in manufacturing and research.

Additional sales tax exemptions include, but are not limited to:

- Machinery and equipment used by a new or expanding Florida business to manufacture, produce, or process tangible personal property for sale
- Labor, parts, and materials used in repair of and incorporated into machinery and equipment
- Electricity used in the manufacturing process
- Certain boiler fuels (including natural gas) used in the manufacturing process
- Semiconductor, defense, and space technology-based industry transactions involving manufacturing equipment
- Machinery and equipment used predominantly in research and development
- Labor component of research and development expenditures
- Commercial space activity — launch vehicles, payloads and fuel, machinery, and equipment for production
- Aircraft parts, modification, maintenance and repair, sale, or lease of qualified aircraft
- Production companies engaged in Florida in the production of motion pictures, made for television motion pictures, television series, commercial advertisements, music videos, or sound recordings

## **State Grants**

**Does your state provide any Grant incentives? (Y/N): Yes**

**If you answered YES above, Please describe the available grants:**

**High Impact Performance Incentive Grants (HIPI)** – A negotiated incentive used to attract and grow major high impact facilities in Florida. Grants are provided to pre-approved applicants in certain high-impact sectors. Once approved, the high impact business is awarded 50 percent of the eligible grant upon commencement of operations and the other half once full employment and capital investment goals are met.

## **State Loans**





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**Does your state provide any Low-Interest Financing incentives? (Y/N):** Yes

**If you answered YES above, Please describe the available financing opportunities:**

A list of active loan and loan guarantee programs can be found [here](#).

## **Training Programs**

**Does your state provide any Specialized Training Program incentives? (Y/N):** Yes

**If you answered YES above, Please describe the available training programs:**

**Quick Response Training (QRT):** Quick Response Training is an employer-driven training program designed to assist new value-added businesses and provide existing Florida businesses the necessary training for expansion. A state educational facility – community college, area technical center, school district or university – is available to assist with application and program development or delivery. The educational facility will also serve as fiscal agent for the project. The company may use in-house training, outside vendor training programs or the local educational entity to provide training. Reimbursable training expenses include: instructors' and trainers' wages, curriculum development, and textbooks/manuals. This program is customized, flexible, and responsive to individual company needs. To learn more about the QRT program, visit [CareerSource Florida](#).

**Incumbent Worker Training Program (IWT):** Incumbent Worker Training is a program that provides training to currently employed workers to keep Florida's workforce competitive in a global economy and to retain existing businesses. The program is available to all Florida businesses that have been in operation for at least one year prior to application and require skills upgrade training for existing employees. Priority is given to businesses in targeted industries, HUB Zones, Inner City Distressed areas, Rural Counties and areas, and Brownfield areas. For additional information on the IWT program, visit [CareerSource Florida](#).

**Date of Submission July 9, 2020**

**Thank you for your time. Please email your responses to [alevy@reshoringinstitute.org](mailto:alevy@reshoringinstitute.org) and your responses will be recorded and available online for review at [www.reshoringinstitute.org](http://www.reshoringinstitute.org).**