

# Oil & Gas Production 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 50% of a company's liability is eligible. With K-12 scholarships worth around \$8,000, your company's tax liability can make a meaningful impact on the lives of Florida students.

## RESERVE

Enrolling is easy - visit <https://taxapps.floridarevenue.com/sfo/AllocationApplication.aspx> and complete the Florida Department of Revenue (DOR) online application. You may apply once for the entire state fiscal year (July 1 – June 30) or as many times as you like during that year for a maximum of 50% of your projected annual (July - June) oil and gas production tax. It's important to remember that the approval process does not oblige you to remit the funds to the SFO – it is merely a way for the DOR to ensure that the annual maximum in tax credits is not oversubscribed.

## 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 50% of each month's tax directly to Step Up For Students. Payments can be made by check, wire or ACH transfer. Upon receipt of payment, Step Up will provide a Certificate of Contribution. Your final payment must be made no later than the last day of the state's fiscal year – June 30.

## REPORT

For Oil Production tax, SFO contributions should be reported on Line 28a (Credit for Contributions to Nonprofit Scholarship-Funding Organizations) of [Form DR-145](#). For Gas and Sulfur Production tax, report contributions on Line 12a (Credit for Contributions to Nonprofit Scholarship-Funding Organizations) of [Form DR-144](#). *Please note that any state tax liability remaining after the credits are reserved should be paid as normal estimated tax payments to the Florida DOR.* A copy of the Certificate of Contribution should also be attached to the return when it is filed.

## ADDITIONAL INFORMATION

**Credit Carry Forward:** Earned, unused credits are automatically carried forward for up to 10 years. Credits earned in a taxable year prior to January 1, 2018, fall under the previous limit of five 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: Notice of Intent to Transfer Credits](#)  
[http://floridarevenue.com/Forms\\_library/current/dr116200.pdf](http://floridarevenue.com/Forms_library/current/dr116200.pdf).

**Rescission:** There is no penalty for rescinding credits that will not be utilized. A rescindment application can be completed at: <https://taxapps.floridarevenue.com/sfo/RescindmentApplication.aspx>.