

Florida Tax Credit Scholarship Program – Oil and Gas Production Tax



AAA Scholarship Foundation (AAA) is a 501 (c)(3) nonprofit organization and state approved Scholarship Funding Organization (SFO) administering the Florida Tax Credit Scholarship Program. Initial recipients of these K-12 educational scholarships are low-income families seeking economic assistance to send their children to the educational setting that best suit their learning needs. This Program allows any company that pays Florida corporate income tax to redirect up to 100 percent of its tax liability to AAA in order to fund K-12 education scholarships for eligible children. **It costs you NO extra dollars** – the legislature has made it possible for your company to earmark up to 100 percent of its state corporate income tax liability to fund student scholarships.

Reserving your state tax credit

The process to enroll is very simple. Just click on this link to visit the FL DOR's web application: <https://taxapps.state.fl.us/sfo/AllocationApplication.aspx> and choose AAA Scholarship Foundation under the Contribution to SFO Section. You may apply once for the entire state fiscal year (July 1- June 30) or as many times during that year as you like for a maximum of 50 percent of your projected annual (July – June) oil and/or gas production tax liability. It's important to remember that the approval process does not oblige you to remit the funds to AAA – it is merely a way for the DOR to ensure that the annual maximum (\$874 million for 2020) in tax credits is not over-subscribed.

Remitting your payment to a SFO

Upon completing your enrollment on the DOR website, please send your DOR confirmation e-mail to Kim Dyson at Kim@aaascholarships.org and she will send you a payment reminder and remittance instructions tailored for your corporation. Once you receive your approval letter from the DOR, you can remit the lesser of 1) the amount approved or 2) up to 50 percent of each month's tax liability directly to AAA via check, wire or ACH.

The official acknowledgement for your remittance

Once the remittance is received, AAA will promptly return an acknowledgement for each remittance (known as a Certificate of Contribution) to your company. It will list the name of the company remitting the funds, the company's tax ID number, the amount of the remittance and the date of the remittance (please remember that the payment must be made by the last day of the state's fiscal year – June 30). You should retain the Certificate of Contribution in order to attach a copy to your monthly oil and/or gas production tax returns

Taking the credit

Enter the amounts remitted to AAA on Line 28 of Form DR-145 for oil production and Line 12a of Form 144 for gas production. *Please note that any state tax liability remaining after the remittance is netted should be paid as normal estimated tax payments to the Florida DOR.*

Unused credits can be carried forward for 10 years

If the company determines that it has insufficient tax liability to take the full credit (amount remitted is greater than 50 percent of net annual tax liability), it may carry forward the credit for up to 10 years. Effective in 2018, no separate application is required when carrying forward.



AAA Scholarship Foundation Inc. (AAA Scholarships) has earned the Platinum GuideStar Nonprofit Profile Seal of Transparency, the highest level of recognition offered by GuideStar, the world's largest source of nonprofit information.

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A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE FLORIDA DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE WITHIN THE STATE AT 1-800-435-7352. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE.