



Incentives

FEDERAL

Work Opportunity Tax Credit-(WOTC) is a Federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment. WOTC joins other workforce programs that incentivize workplace diversity and facilitate access to good jobs for American workers. <http://www.doleta.gov/business/incentives/opptax/>

Solar Investment Tax Credit - The credit is equal to 30% of expenditures, with no maximum credit. Eligible solar energy property includes equipment that uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat. Hybrid solar lighting systems, which use solar energy to illuminate the inside of a structure using fiber-optic distributed sunlight, are eligible. Passive solar systems and solar pool-heating systems are "not" eligible. <http://energy.gov/savings/business-energy-investment-tax-credit-itc>

Tax Deductions for Commercial Buildings- The provision allows a deduction to a taxpayer who owns, or is a lessee of, a commercial building and installs property as part of the commercial building's interior lighting systems, heating, cooling, ventilation, and hot water systems, or building envelope. Certification must be obtained to verify that the property installed satisfies the energy efficiency requirements of section 179D. <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Commercial-Property-Owners-and-Leaseholders-Qualify-for-Energy-Efficiency-Tax-Deduction>

Additional federal business tax credits can be found at <http://www.irs.gov/Businesses/Small-Businesses-%26-Self-Employed/Business-Tax-Credits>

STATE OF GEORGIA

SINGLE FACTOR APPORTIONMENT

In 2005, Georgia became the first state in the Southeast to adopt a "Single Factor Gross Receipts apportionment formula. The formula will only treat a company's Gross Receipts, or sales factor as the only relevant factor in determining the portion of the company's income that is subject to Georgia income tax. Property and payroll will not factor into the calculation of a company's corporate income tax.

TAX CREDITS

The provision of these tax credits are governed by rules outlined, monitored, and facilitated by the State of Georgia and the Georgia Department of Revenue. Typically, corporate income tax credits apply to 50 percent of a company's state tax liability in a given year. In some cases, they can offset up to 100 percent of corporate income tax as well as payroll withholding liability. Additional information on these tax credits can be found at <http://www.georgia.org/competitive-advantages/tax-credits/>

Job Tax Credit

Provides a job tax credit of \$1,250 per job for any business or headquarters from the following industries which located in Camden County;

Manufacturing	Warehousing and Distribution	Processing
Telecommunications	Research and Development	Tourism

This tax credit is not provided to retail businesses. An additional bonus of \$500 per job is allowed due to Camden County being a member of a regional development authority, the [Southeast Georgia Joint Development Authority](#). The tax credit can be used against 50% of the company's withholding tax liability and can be carried forward for ten years. <http://www.georgia.org/competitive-advantages/tax-credits/job-credit/>

Quality Job Tax Credit

Companies that create at least 50 jobs in a 12 month period, at wages that are at least ten percent higher than the county average, qualify for a tax credit of \$2,500 to \$5,000 per job.

<http://www.georgia.org/competitive-advantages/tax-credits/quality-jobs/>

Port Tax Credit Bonus

Tax credit applies to companies that increase imports or exports through a Georgia port by at least ten percent can qualify for a bonus tax credit. Two options are offered: an addition of 41,250 to the job tax credit or an adjustment in the investment tax credit.

<http://www.georgia.org/competitive-advantages/tax-credits/port-tax-credit-bonus/>

Work Opportunity Tax Credit

A federal tax credit, administered by the Georgia Department of Labor, available to Georgia companies that hire individuals who have consistently faced significant barriers to employment. The tax credit

ranges from \$1,200 to \$9,000 per hire. <http://www.georgia.org/competitive-advantages/tax-credits/work-opportunity-tax-credits/>

Mega Project Tax Credit

Business that employ at least 1,800 "net new" employees and have either a minimum annual payroll of \$150 million or make a minimum investment of \$450 million in Georgia qualify for the mega project tax credit.

<http://www.georgia.org/competitive-advantages/tax-credits/mega-project/>

Investment Tax Credit

A business that has operated a manufacturing or telecommunications support facility in Georgia for at least three years (36 months) may be eligible for a tax credit. Tax credit amount earned is 1 to 8 percent

of qualified capital investments of \$50,000 or more. <http://www.georgia.org/competitive-advantages/tax-credits/investment/>

Optional Investment Tax Credit

Tax credits reward growing companies for making major investments in Georgia. The exact value of the tax credit depends on three factors; 1. How much is invested, 2." Where the investment is made, and 3.)

the change in a company's tax liability. <http://www.georgia.org/competitive-advantages/tax-credits/optional-investment/>

Research and Development Tax Credit

Ten percent of a company's increased qualified research and development expense over its gross receipts may be claimed as a tax credit. Taxpayers must qualify for the research and development tax credit under the IRS code to be eligible. Emerging companies can apply the credit to offset their payroll withholding once all other tax liability has been exhausted for their first 5 years.

<http://www.georgia.org/competitive-advantages/tax-credits/research-and-development/>

Retraining Tax Credit

A business may be able to claim a tax credit against certain costs of retraining employees to use new equipment, new technology, or new operating systems. 50% of the employer's direct cost up to \$500 per employee, per approved training program per year. The total amount of the credit claimed cannot exceed \$1,250 per employee per year. Credits can be used to offset up to 50% of the company's tax liability and may be combined with other credits and carried forward for 10 years.

<http://www.georgia.org/competitive-advantages/tax-credits/retraining-tax-credit/>

Childcare Tax Credits

Employers who provide or build a state-licensed facility childcare for employees are eligible for a tax credit. For employers who provide child care services are eligible for a credit equal to 75% of the employer's direct costs. Credits that are related to providing or sponsoring child care may be carried forward for five years. For employers who purchase or build a state-licensed facility, the credit is equal to 100 percent of the cost of construction, which is earned over 10 years (10 percent each year). Unused credits can be carried forward for three years. All child care tax credits can be applied to 50 percent of the corporate income tax liability.

Film, Television, and Entertainment Tax Credit

Film and Television companies may receive a tax credit of up to 30 percent of money spent on production and post-production in Georgia, either in a single production or on multiple projects.

Minimum spending amount is \$500,000. <http://www.georgia.org/competitive-advantages/tax-credits/film-television-and-digital-entertainment/>

TAX EXEMPTIONS

Tax credits promote actions that propel both business and economic growth. Tax exemptions are directed on saving money for businesses. They help small and large companies reduce up-front costs on business purchases and maintain healthy product inventory.

Sales and Use Tax Exemptions

Several types of machinery and equipment are exempt from both state and local sales taxes. Together, that amounts to a 5-8 percent savings on purchases.

Inventory Tax Exemption

Georgia business pay no state property taxes on inventory held in their factories and warehouses. In many Georgia counties, inventory is exempt from local property taxes as well. Within Camden County and its cities, Freeport exemption exists at 100% for level 1—manufacturer's raw materials and goods-in-process, level 2—finished goods held by the original manufacturer, and level 3—finished goods held by distributors, wholesalers, and manufacturers destined for out-of-state shipment.

LOCAL INCENTIVES

The incentives outlined below may be considered for projects on a case-by-case basis. If it is deemed appropriate, incentives provided to a company, those incentives will be provided through a formal agreement between the Authority, the local government and the company.

Land Costs

For qualifying companies, the Camden County Joint Development Authority may provide industrial sites at low cost or no cost. Qualifications for this incentive are dependent upon average wage levels, total capital investment, total number of full-time equivalent (FTE) jobs created, and other factors.

Local Ad Valorem Tax Savings

Local Ad Valorem tax Savings may be considered for business and industry related project under certain circumstances. This may aid a company by reducing tax burden either through a graduated or complete elimination of real and/or personal property taxes. Qualifications for this incentive are dependent upon total number of jobs, average wage and benefit level, total amount of capital investment, and sufficient net present value upon completion of an economic impact analysis by the Authority.

Site Preparation Cost Allowance

Certain project may qualify for potential funding contribution to help offset site development costs. Qualifications for this incentive are dependent upon average wage levels, total capital investment, total number of full-time equivalent (FTE) jobs created, and other factors.

Local Zones

Kings Bay Military Zone

Within the military zone, a job tax credit maximum of \$3,500 per job created is available to businesses of any nature, who create at least 2 jobs. The job tax credit may be used against 100 percent of income tax liability and withholding taxes. <http://www.dca.state.ga.us/economic/DevelopmentTools/programs/militaryZones.asp>

Kingsland Enterprise Zone

Within the Kingsland Enterprise Zone, the City Council may approve and provide ad valorem tax savings through a graduated schedule as well as provide reduction and/or waiver of certain fees for qualifying businesses who located within the Zone.

<http://www.dca.state.ga.us/economic/DevelopmentTools/programs/enterpriseZones.asp>

Kingsland Opportunity Zone

Within the Kingsland Opportunity Zone, a job tax credit maximum of \$3,500 per job created is available to businesses of any nature, who create at least 2 jobs. The job tax credit may be used against 100 percent of income tax liability and withholding taxes.

<http://www.dca.state.ga.us/economic/DevelopmentTools/programs/opportunityZones.asp>

St. Marys Enterprise Zone

Within the St. Marys Enterprise Zone, the City Council may approve and provide ad valorem tax savings through a graduated schedule as well as provide reduction and/or waiver of certain fees for qualifying businesses who located within the Zone.

<http://www.dca.state.ga.us/economic/DevelopmentTools/programs/enterpriseZones.asp>