

## Inventory Tax Exemption (Freeport)

100% Freeport Tax Exemption (ad valorem) is available on raw materials, goods in process, and finished goods destined for out-of-state shipment with application due April 1.

\* *Application must be made annually. Form PT-50PF*

## Multi-Shift - Accelerated Depreciation

Production machinery and equipment utilized over 85% of total available time (7,446 hours per year) in multi-shift operations for the 12-months preceding the January 1 assessment date may qualify for an accelerated depreciation allowance.

\* *Application must be made annually. Form MS1*

## Financing

Gainesville-Hall County maintains a stable tax environment and offers attractive incentives to new and existing businesses to encourage investment and the creation of new jobs. Various finance options are available for qualified businesses on fixed assets and working capital. Contact us for additional details.

## Opportunity Zones

Opportunity Zones within Midtown Gainesville and the Atlanta Highway area allow for job tax credits of \$3,500 for each of five years per net new job created and maintained. The credits can be applied against the Georgia Corporate Income Tax or Georgia Withholding Tax. Businesses must create two (2) or more net new jobs.

\* *Job, Investment, and Retraining Tax Credits may be used to offset up to 50% of a company's Georgia corporate income tax liability in any taxable year following the year in which the credits are earned. Credits not used may be carried forward and applied for up to 10 years.*

\* *Created jobs must be full-time with benefits and not replacement positions and pay a minimum of \$11.77 an hour.*

\* *Taxpayers may choose between Job Tax Credits, Quality Job Tax Credits or Investment Tax Credits in a given year. Consult regulations for definition of a qualified business.*

\* *Quality Job Tax Credits may be used to offset payroll withholding once all of the tax liability has been exhausted and may be carried forward for 10 years.*



# Georgia INCENTIVES

for

## Gainesville-Hall County Business & Industry



**GREATER HALL**  
CHAMBER OF COMMERCE

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## Job Tax Credits\*

Qualified businesses in Gainesville-Hall County may qualify for this credit if they create at least 25 new jobs in a calendar year. Job Tax Credits of \$1,250 each year for five years for each new full time job created apply to companies that are engaged in the following:

- Manufacturing/Processing
- Distribution
- Tourism
- Headquarters
- Research and Development

### Example:

\$1,250 x 25 new jobs x 5 years = \$156,250 in tax credits  
*Form IT-CA 2012*

Port Job Tax Credit Bonus is a \$1,250 per job bonus for businesses that have a 10% increase in Georgia port traffic over the previous year.

## Quality Job Tax Credits\*

Businesses qualify for this credit if they create a minimum of 50 new jobs that pay at least 110% of the county average (est. \$20.25/hour). Credits are per job, per year, for up to 5 years based on an increasing scale system.

### Example:

\$2,500 x 50 qualified jobs x 5 years = \$625,000 in tax credits  
*Form IT-QJ & Form IT-WH*

## Less Developed Census Tracts (LDCT)\*

Qualified businesses located within the 10 designated LDCT that create at least 5 new jobs in a calendar year may qualify for increased Job Tax Credit incentives of \$3,500 each year for five years for each new full time job. Credits may be applied against state corporate income or withholding tax.

### Example:

\$3,500 x 5 new jobs x 5 years = \$87,500 in tax credits  
*Form IT-CA2012 and IT-WH*

## Retraining Tax Credits\*

Direct investment for employee retraining for quality and productivity enhancements and certain software technologies as approved by Lanier Technical College may qualify for credits of 50% of the employer's direct cost of up to \$500 per employee.  
*Form IT-RC 2009*

## Expansion Rules of Thumb

If any of the following apply to your company, please check applicable incentives:

- **Added 5+ new jobs in a given year**
- **Capital investment of \$50,000+ in a given year**
- **Training investment of \$40,000+ in a three-year period for existing employees**

## Gainesville Career Center

Customized workforce solutions including screening and interviewing candidates, assistance with job postings, marketing, and conducting career expos are provided for our existing and prospective employers at the Gainesville Career Center. Job posts can be viewed locally as well as nationwide. Computer labs and conference rooms are available for training, recruitment and orientations at no cost. Additional tax credits are available when hiring workers from targeted groups of job seekers.

## Quick Start Training

Customized training may be delivered to qualifying businesses with an expanding job base at no cost. The service typically includes training analysis, development of training materials, and training to reach maximum productivity in a minimum amount of time. Quick Start training is nationally recognized as #1.

## Advanced Manufacturing Technology

Advanced Manufacturing Training at Lanier Technical College provides access to four labs with the latest robotic, PLC equipment and systems. Companies maximize productivity with hands-on training in operation, programming, welding, maintenance and troubleshooting. Customized training is available.

## State Sales & Use Tax Exemptions

Gainesville-Hall County and the State of Georgia Sales Tax totals 7%. Georgia Law provides Sales & Use Tax Exemptions for qualified purchases including:

- Manufacturing & Equipment Purchases and Repair
- Raw Materials & Packaging
- Energy Used in Manufacturing
- Primary Material Handling Equipment
- Pollution Control Equipment

*Form ST-5M*

## Corporate Income Tax Reduction

"Single Factor Gross Receipts" apportionment formula results in a substantial and permanent reduction of Georgia income taxes for companies that manufacture products within the state of Georgia and sell those products or services to customers in other states. Georgia's Corporate Income Tax rate of 6% has remained unchanged since 1969.

## Other Tax Credits

- Investment Tax Credits\* (1% to qualified businesses investing at least \$50,000 in a given year)
- Research & Development Tax Credits
- Child Care Tax Credits
- Work Opportunity Tax Credits
- Parolee Tax Credits



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