

Georgia Opportunity Zone

The West Gainesville/Atlanta Highway Opportunity Zone allows 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 new jobs.

1. *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.*
2. *Created jobs must be full-time with benefits and not replacement positions. The new positions must pay a minimum of \$602 per week.*

Federal Opportunity Zone

Gainesville-Hall County has three census tracts designated as Federal Opportunity Zones. The Federal Opportunity Zone distinction was created by the Tax Cuts and Jobs Act to spur economic growth in low-income areas by allowing investors to temporarily defer and, ultimately, exempt federal capital gains on investments made in the Federal Opportunity Zone.

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
- Research & Development
- Distribution
- Headquarters
- Tourism

Example: $\$1,250 \times 25 \text{ new jobs} \times 5 \text{ years} = \$156,250$ 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.

Expansion Rules of Thumb

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

- *Addition of 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*



January 2024

Consult your tax professional.



Georgia Incentives for Gainesville-Hall County Business & Industry

For more information:

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Inventory Tax Exemption (Freeport)

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

**Applications must be submitted annually (Form PT-50PF).*

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.

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

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.

**Applications must be submitted annually (Form MS1).*

Quick Start Training

Customized training may be delivered at no cost to qualifying businesses with an expanding job base. 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 the #1 customized training program for business and industry.

Sales and Use Tax and Exemptions

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

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

Form ST-5M

Quality Job Tax Credits

Businesses qualify for this tax credit if they create a minimum of 50 new jobs that pay at least 110% of the county average (\$61,032 annually). Credits are per job, per year, for up to five 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).

Advanced Manufacturing Technology

The Advanced Manufacturing Technology Center 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.

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
- New Market Tax Credit (NMTC)
- Less Developed Census Tract Credits

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 5.75% is applied only to income apportioned to Georgia by sales.

Gainesville Career Center

The Gainesville Career Center offers customized workforce solutions for our existing and prospective employers including screening and interviewing candidates, assisting with job postings, marketing, and conducting career expos. Job postings 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 if hiring from targeted groups of job seekers.