



## | Ad Valorem Tax Incentive Program

### Program Overview

The Ad Valorem Tax Incentive Program offers a limited exemption from payment of municipal ad valorem taxes (property taxes) to qualified businesses/developers looking to invest and create new jobs. The exemption applies to the assessed value of new improvements and tangible personal property. The exemption will not be applicable to the land upon which the business is located.

### What is Eligible for the Exemption

- I. Qualifying New Business
  - Up to 100% of assessed value of all improvements and all tangible personal property
  
- II. Qualifying Expansion of Existing Business
  - Up to 100% of assessed value of added improvements for expansion and net increase of all tangible personal property acquired to facilitate the expansion

### Ineligible Improvements

The Exemption will not apply to improvements made for or by the business that have been included on the tax rolls prior to the effective date the exemption was granted.

### Exemption Criteria

In making its determination as to whether to grant an Exemption, the following criteria shall apply.

Tier	Number of New Jobs	Average Annual Wage or Capital Investment	Period	Maximum Exemption
One	10 or more Full-Time Equivalent Employees in Manufacturing Jobs	100% of the Average Annual Private Sector Wage or Capital Investment exceeding \$10,000,000.00	5 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
One	25 or more Full-Time Equivalent Employees where the Business's Sales Factor is less than 50%	100% of the Average Annual Private Sector Wage	5 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
One	50 or more Full-Time Equivalent Employees in	100% of the Average Annual Private Sector	5 Years	50%; or if property is located in a designated area

	Office Jobs if a New Business	Wage or Capital Investment		
Two	25 or more Full-Time Equivalent Employees in Manufacturing Jobs	115% of the Average Annual Private Sector Wage or Capital Investment exceeding \$20,000,000.00	7 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
Two	50 or more Full-Time Equivalent Employees where the Business's Sales Factor is less than 50%	115% of the Average Annual Private Sector Wage	7 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
Two	50 or more Full-Time Equivalent Employees in Office Jobs if a New Business	115% of the Average Annual Private Sector Wage or Capital Investment exceeding \$10,000,000.00	7 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
Three	75 or more Full-Time Equivalent Employees in Manufacturing Jobs	125% of the Average Annual Private Sector Wage	10 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
Three	75 or more Full-Time Equivalent Employees where the Business's Sales Factor is less than 50%	125% of the Average Annual Private Sector Wage	10 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%
Three	75 or more Full-Time Equivalent Employees in Office Jobs if a New Business	125% of the Average Annual Private Sector Wage	10 Years	50%; or if property is located in a designated brownfield area or enterprise zone – 75%