



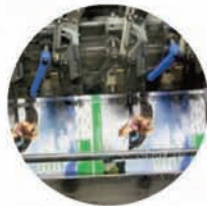
Success has a new address

Get in the
zone

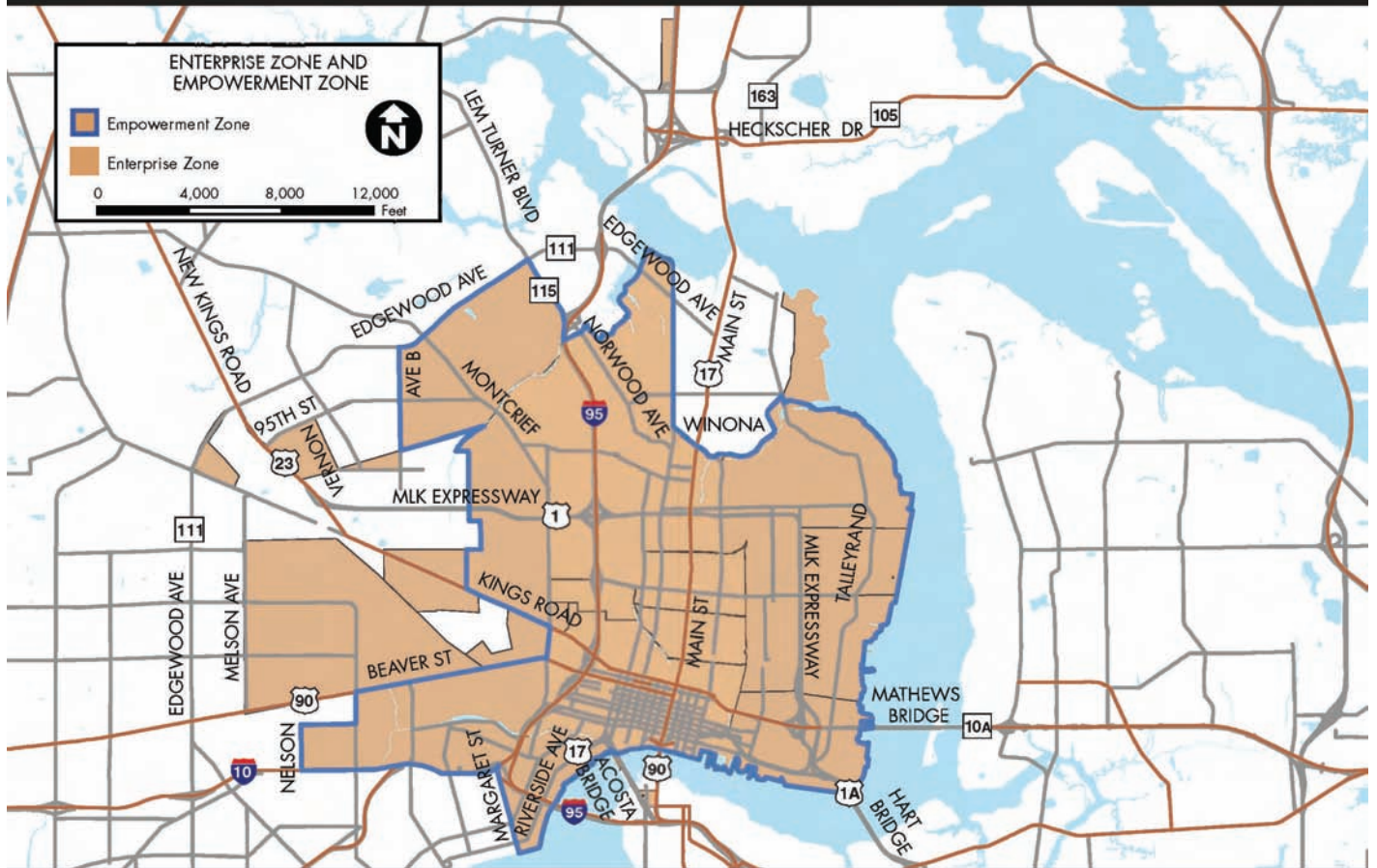
JEDC
JACKSONVILLE
ECONOMIC DEVELOPMENT
COMMISSION



Jacksonville's Enterprise and Empowerment Zones are state and federal geographically designated areas targeted for economic revitalization. These areas offer the community direct access to programs that will encourage development and create prosperity for emerging areas by using tax incentives that promote economic growth and job creation.



Enterprise and Empowerment Zone Programs



The federal Empowerment Zone program determines which areas in Jacksonville, including downtown, are eligible for federal tax incentives. This program emphasizes that expanding business development and commerce enables businesses and residents to have greater access to job opportunities and to goods and services, both of which help energize long-term revitalization.

(Contact JEDC for detailed information and other eligibility requirements.)



Jacksonville's Enterprise Zone

JOBS TAX CREDIT (SALES TAX)

Allows businesses a tax credit against the company's Florida sales and use tax equal to 20 percent of the wages paid to new employees who are residents of the Enterprise Zone. If 20 percent or more of the employees are residents of the Enterprise Zone, the credit is 30 percent of wages paid to new eligible employees for up to two years.

JOBS TAX CREDIT (CORPORATE INCOME TAX)

Allows businesses a state corporate income tax credit equal to 20 percent of wages paid to new, eligible employees who are residents of the Enterprise Zone. If 20 percent or more of the employees are residents, the credit is 30 percent of wages paid to new, eligible employees for up to 24 months.

BUSINESS MACHINERY AND EQUIPMENT SALES TAX REFUND

Provides a refund on state sales tax paid on the purchase of eligible machinery and equipment costing at least \$5,000 per unit, when used exclusively in an Enterprise Zone for at least three years. The maximum refund is \$5,000 per application or up to \$10,000, if 20 percent or more of the employees are residents of the Zone.

BUILDING MATERIALS SALES TAX REFUND

Provides a refund on state sales tax paid on the purchase of building materials used to rehabilitate real property. Only one sales tax refund on building materials is available per parcel of real property unless there is a change in ownership or lease. If 20 percent or more of the full-time employees are Enterprise Zone residents, the maximum refund per parcel will be no more than the lesser of \$10,000 or 97 percent of the sales tax paid on building material purchases of up to \$171,800. If less than 20 percent of the full-time employees are Enterprise Zone residents, the maximum refund per parcel will be no more than the lesser of \$5,000 or 97 percent of the sales tax paid on building material purchases of up to \$85,900.

PROPERTY TAX CREDIT

Allows a corporate income tax credit for new or expanded businesses located in the Enterprise Zone. Businesses must create five or more new jobs to receive the credit equal to 96 percent of ad valorem taxes paid on the new or improved property. If 20 percent or more of the full-time employees are Enterprise Zone residents, then the maximum of \$50,000 annual credit can be claimed for five years; otherwise, the credit is limited to \$25,000 annually for five years.

SALES TAX EXEMPTION FOR ELECTRICAL ENERGY

Provides businesses a 50 percent exemption on municipal utility tax and at least a 50 percent exemption from the state sales tax on electrical energy for five years. Businesses must be in a newly occupied structure, renovated structure or recipient of a building materials sales tax refund.

COMMUNITY CONTRIBUTION TAX CREDIT

Allows any business in Florida to receive a 50 percent credit on Florida corporate income tax, insurance premium tax or sales tax refund for donations to local community development projects.

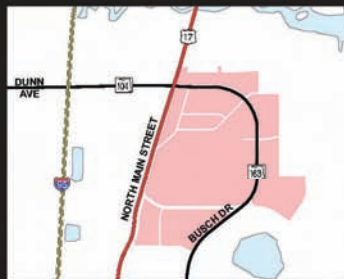
QUALIFIED TARGET INDUSTRY (QTI) ENTERPRISE ZONE BONUS

A tool available to Florida communities to encourage quality job growth in targeted, high value-added businesses. Pre-approved applicants who create jobs in Florida paying 115 percent of the state average wage receive tax refunds of \$3,000 per net new full-time job created; and a bonus of an additional \$3,000 in certain parts of the Enterprise Zone. For businesses paying 150 percent of the average annual wage, add \$1,000 per job; for businesses paying 200 percent of the average annual salary, add \$2,000 per job.

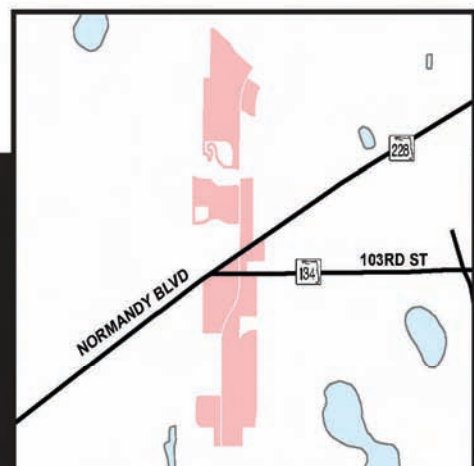
Additional Developable Sites



Phillips Highway



Imeson Industrial Park



Cecil Commerce Center

Jacksonville's Empowerment Zone

TAX CREDITS

Wage credits

Especially attractive for businesses looking to grow, Empowerment Zone businesses that hire and retain Zone residents can obtain wage credits to apply against their federal tax liability. Zone businesses can enjoy up to a \$3,000 credit (20 percent of wages paid on the first \$15,000) for every newly hired or existing employee who lives in the Empowerment Zone.

Work Opportunity Credits

Provide businesses up to \$2,400 against their federal tax liability for each employee hired from areas with traditionally high unemployment rates or other special employment needs, including youth who live in the Zone.

Welfare to Work Credits

Offer Empowerment Zone businesses a credit of up to \$3,500 (in the first year of employment) and \$5,000 (in the second year) for each newly hired long-term welfare recipient.

BOND FINANCING

Tax-Exempt Facility Bonds

Help Empowerment Zone businesses receive lower-cost loans to finance property, purchase equipment and develop business sites within these communities.

Qualified Zone Academy Bonds

Enable state and local governments to match no-interest loans with private funding sources to finance public school renovations and programs.

CAPITAL GAINS

Businesses can postpone or only partially recognize the gain on the sale of certain assets, which can significantly reduce the capital gains tax liability on businesses located within these designated areas. The Empowerment Zone also provides partial exclusion of gain on sale of Empowerment Zone stock - providing an exclusion of 60 percent of the gain on sale of small business stock of a C corporation that is an Enterprise Zone Business, if the stock is held for at least five years.

TAX DEDUCTIONS

Increased Section 179 Deduction

Allows businesses to claim increased expensing deductions up to \$35,000 for depreciable property, such as equipment and machinery acquired after December 31, 2001.

Environmental Cleanup

Cost Deduction allows businesses to deduct qualified cleanup costs in Brownfield Areas. The property must be located in an Empowerment Zone and must be certified by a state environmental agency. The Jacksonville Empowerment Zone is also designated as a Brownfield area.

OTHER INCENTIVES

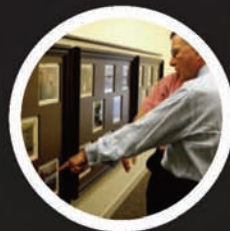
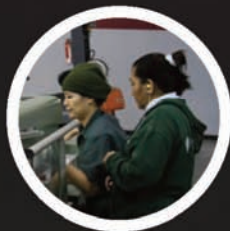
New Markets Tax Credits

Provide investors with a credit against their federal taxes of 5 to 6 percent of the amount invested in a distressed area for each of the years the investment is held, up to seven years of the credit period.

Low-Income Housing Tax Credit

Provides a 10-year credit against federal taxes for owners of newly constructed or renovated rental housing who set aside a specified percentage of units for low-income persons for a minimum of 15 years. The credit varies for new construction and renovation.

(Contact JEDC for detailed information and other eligibility requirements.)





See if you are

in the Zone

go to www.jaxdevelopment.org

For additional information concerning specific benefits offered by the Enterprise and Empowerment Zones, please contact the JEDC at (904) 630-1858.

