WHAT IS AN ENTERPRISE ZONE?
The Enterprise Zone (EZ) is a state funded program that was created to promote a business-friendly environment in economically distressed areas by offering state income tax credits that incentivize businesses to locate and develop in - and non-profit organizations to assist with the needs of - these communities. Areas of Longmont, Lafayette, and Broomfield recently received the North Metro Enterprise Zone designation.

ARE YOU IN THE NORTH METRO ENTERPRISE ZONE?
Visit WWW.CHOOSECOLORADO.COM/EZ to determine if your address or parcel number is located in the EZ and qualifies for tax credits starting in 2016.

WHAT DOES THIS MEAN FOR YOUR BUSINESS?
EZ tax credits can have a significant impact, from $1,000 to $500,000. The following incentives can be earned if your business is located in the Enterprise Zone for the tax year beginning 1/1/2016 and after:

**BUSINESS INCOME TAX CREDITS**

- **INVESTMENT TAX CREDIT**: This is the most widely used tax credit. It allows you to receive a credit against your state income tax of 3% of your capital investment in equipment. 14-year carry forward.
- **COMMERCIAL VEHICLE INVESTMENT TAX CREDIT**: This allows you to receive a tax credit of 1.5% on qualified commercial vehicle purchases for vehicles that will be used in the EZ only.
- **JOB TRAINING TAX CREDIT**: This allows you to claim a credit of 12% on qualified job training program expenses. This credit allows you to make a significant investment in human capital.
- **NEW EMPLOYEE TAX CREDIT**: If you create a new job in the EZ, then you could be eligible to receive a credit of $1,100 per new job created. (Existing jobs transferred from another Colorado location are not eligible) 5-year carry forward.
- **AGRICULTURE PROCESSOR NEW EMPLOYEE TAX CREDIT**: This allows you to claim a credit of $500 per new job created.
- **EMPLOYER SPONSORED HEALTH INSURANCE CREDIT**: If you pay more than 50% of your employees’ health care benefits, there is an extra $1,000 per covered employee that can be claimed for the first two full income tax years while located in the EZ, in addition to the new job credit. 5-year carry forward.
- **R&D INCREASE TAX CREDIT**: If you have increased expenditures on research and experimental activities in the EZ, you may qualify to receive a credit of 3% on these expenditures. It must be technological in nature and be useful in the development of a new or improved product or service. 4-year carry forward.
- **VACANT BUILDING REHABILITATION TAX CREDIT**: If you own or are a tenant of a building in the EZ that is at least 20 years old and has been completely vacant for at least 2 years, you may claim a tax credit of 25% of your rehab expenditures if the building will be for commercial use.

**ADDITIONAL EZ INCENTIVES**

- **MANUFACTURING/MINING SALES AND USE TAX EXEMPTIONS**: There is a state-wide sales tax exemption for companies purchasing manufacturing equipment. If you are in the EZ, this is expanded and can include expensed items, materials used to repair equipment, and mining equipment.
- **CONTRIBUTION TAX CREDIT**: If you make a monetary or in-kind contribution to an EZ project for the purpose of implementing the economic development plan in the EZ, you may claim an income tax credit of up to 25% cash of the value of the contribution.

For more information on these incentives, please visit WWW.CHOOSECOLORADO.COM/EZ.

PRE-CERTIFICATION IS REQUIRED!
Each income tax year, if your business is located in the EZ, you must apply and must be Pre-Certified prior to beginning an activity to earn any of the business tax credits listed. At the end of the income tax year, you must Certify that the activities were performed. Pre-Certification and Certification can be easily applied for online at WWW.CHOOSECOLORADO.COM/EZ.

FOR MORE INFO OR ASSISTANCE, PLEASE CONTACT:

**LONGMONT**
Wendi Nafziger
Longmont Economic Development Partnership
303-651-0128
wend@longmont.org

**LAFAYETTE**
Roger Caruso
City of Lafayette
303-661-1262
roger@cityoflafayette.com

**BROOMFIELD**
Jill Mendoza
City and County of Broomfield
303-464-5579
jamendoza@broomfield.org