

## State of Georgia Sponsored Incentives:

### **State of Georgia Tax Credits:**

Generally, corporate income tax credits are limited to 50 percent of the taxpayer's state income tax liability for a taxable year, but, under some circumstances, may offset up to 100 percent of the income tax or withholding liability. In some instances, tax credits can be stacked, resulting in realized tax savings greater than 50 percent. In most instances, unused tax credits may be carried forward 10 years. Taxpayers are given a choice between job tax credits or investment tax credits.

#### **Job Tax Credit:**

Rockdale County is a Tier Three county earning a job tax credit of \$1250 per job; however, because the Development Authority of Rockdale County is a member in good standing of the Joint Development Authority of Metro Atlanta, this credit is enhanced by an additional \$500 for a total of **\$1750 per job**. *Taxpayers are given a choice between job tax credits or investment tax credits.*

#### **Investment Tax Credit:**

Allows a taxpayer that has operated an existing manufacturing or telecommunications support facility in the state for the previous 3 years to obtain a credit against income tax liability. Companies expanding in Rockdale County must invest \$50,000 to receive a 1% credit. That credit increases to 3% for recycling, pollution control and defense conversion activities. *Taxpayers are given a choice between job tax credits or investment tax credits.*

#### **Corporate Headquarters Tax Credit:**

Companies establishing or relocating their headquarters in Georgia are eligible to receive an income tax credit of \$5,000 per job per year for 5 years if the new jobs pay twice the county average wage rate. A \$2,500 tax credit is available if the wages are greater than the county average. The tax credit is available to taxpayers that (1) establish or relocate their headquarters and the headquarters of a subsidiary in Georgia, (2) create 50 or more jobs, (3) invest \$1 million, and (4) pay wages that exceed the county average wage rate. *Taxpayers who qualify for and take the headquarters tax credit may not take the job or investment tax credit.*

#### **Retraining Tax Credit - Quick Start Program:**

No cost labor-training incentive offered to new or expanding companies in Georgia. In the past 25 years, Quick Start has trained over 150,000 people for over 2,000 companies. The quality, flexibility and responsiveness of their services has been singled out by Fortune, Training and Site Selection magazines for providing some of the best training in the nation. The Retraining Tax Credit allows some employers to claim certain costs of retraining employees to use new equipment, new technology, or new operating systems. **The credit can be worth 50% of the direct costs of retraining full-time employees up to \$500 per employee per approved retraining program per year.**

#### **Research and Development Tax Credit:**

A tax credit is allowed for research expenses for research conducted within Georgia for any business or headquarters of any such business engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, or research and development industries.

**Small Business (fast growth) Tax Credit:**

Georgia income tax credits are available to a small business having Georgia net taxable income growth of 20% or more each year for 3 consecutive years. The small business credit can be used against 50% of the remaining Georgia income tax liability after all other credits have been applied in a given year. The credit is available to companies whose total tax liability does not exceed \$1.5 million.

**Child Care Tax Credit:**

Employers who provide or sponsor childcare for employees are eligible for a tax credit of up to 75% of the employers' direct costs. The credit cannot be more than 50% of the taxpayer's total state income tax liability for that taxable year. Any credit claimed but not used in any taxable year may be carried forward for five years from the close of the taxable year in which the cost of the operation was incurred.

**State of Georgia Tax Exemptions:**

**Georgia Sales and Use Tax Exemptions:**

Manufacturing and production machinery is exempt from state and local sales tax. Machinery or components bought to upgrade or replace existing machinery can also be exempt.

**Freeport & Inventory Tax Exemption:**

Rockdale County exempts up to 100 percent of inventory of the qualified product of a company from property tax under Georgia's local-option "freeport" law. Raw material, work-in-process and finished goods inventory can all be exempted in these counties. In most counties, distribution centers and warehouse inventories are exempt from property taxes if the inventory is destined to be shipped out of the state.

**Georgia Certified Work Ready Initiative Skills Assessment Program:**

This program is a complete solution for making quick comparisons between a potential employee's skill levels and the job requirements and providing a portable skills credential, the Georgia Work Ready Certificate, which is highly valued by employers and certificate recipients. Being designated as an Accelerated County for this initiative has allowed Rockdale County to receive a state grant of \$35,000 to assist local business and industry with expenses and fees associated with implementation until December 31, 2008.

**Rockdale County Sponsored Incentives:**

Rockdale County can offer planning and development consultation, expedited permitting processes, dedicated project managers, and other incentives that will be negotiated on a per project basis.

**PLEASE REFER TO DOCUMENT FOR SPECIFIC PROJECT FOR OTHER INCENTIVES  
OR CONTACT GINA HARTSELL AT [GINA@CONYERS-ROCKDALE.COM](mailto:GINA@CONYERS-ROCKDALE.COM)**