

Legislative Alert

ALABAMA JOBS ACT INCENTIVES

Atlas Insight assists companies from all industry sectors and geographies to negotiate and secure tax credits and incentives for business investment and job creation/retention.

The professionals at Atlas Insight are industry leaders in the field of corporate site selection and incentive procurement.

We help to choose locations for all types of business facilities that meet the long-term needs of those operations, while helping to achieve overall corporate goals.

Our team has extensive experience in all corporate sectors and has consulted on many sensitive projects for some of the world's largest corporations. We strive for excellence with every client.

For more information, please contact:

Eric Dantzler
Director
(732) 410-6711
edantzler@atlasinsight.com

Target Audience: Alabama Employers

Details of New Legislation:

On April 3rd, 2015, Governor Bentley signed the Alabama Jobs Act which creates a new cash incentive and tax credit for employers creating new jobs. The Act replaces several existing incentives including the former Capital Credit. The Act became effective as of July 2nd 2015.

Jobs Act Incentives:

The Act offers two new tax credits, a refundable Job Tax Credit and an Investment Tax Credit. The awarded credit percentages and the incentive terms are discretionary:

Job Tax Credit (Refundable)

An annual cash rebate of *up to* 3% of newly created payroll for *up to* 10 years

- Up to an additional .5% credit for employing veterans
- Up to an additional 1% credit if located in a targeted county

Investment Tax Credit

An annual credit of *up to* 1.5% of new investment for *up to* 10 years

- At Commerce's discretion, a portion of the credit may be transferrable
- Credits have a 5 year carryforward

Eligibility

To be considered for an award, an application must be submitted to the Alabama Department of Commerce prior to the start of the project. To qualify as an eligible project, at least 50 new jobs must be created, the project must demonstrate a level of community support, and the project should be competitive with out-of-state alternatives. Projects must fall within a targeted industry including manufacturing, warehousing, data processing, corporate operations, biosciences, high technology and headquarters facilities.

If approved, then the company must enter into a negotiated Agreement which will outline the incentive terms, job and investment commitments, and recapture provisions.

Recommended Action:

This program represents a powerful new tool to help businesses expand and reinvest in their operations. The experts at Atlas Insight have the experience and resources to determine whether your company could potentially benefit from these new incentives. Our staff is ready to navigate through the application, approval and compliance phases while ensuring that you receive and monetize the maximum benefit possible. Please contact us so that we can determine if you are a good candidate for the incentives that are part of the Alabama Jobs Act.

