

ACTON Center for Effective Compassion

STATE COMPASSION TAX CREDITS
A working research document

State	Program	Summary	Sub Categories/ Other Tax Credit Programs
Arizona	Credit for contributions to charities that help the poor.	<p>501c3's to use at least 50% of their funds toward helping TANF receipts. A taxpayer must itemize to receive credit.</p> <p>Credit dollars are allowed on the amounts above the baseline dollar amount. The baseline amount is the total dollar amount of charitable contributions deducted on Schedule A. For instance, if a taxpayer has a baseline amount of \$500, the taxpayer must give \$700 in total contributions that includes \$200 to a qualifying charitable organization to receive a \$200 tax credit. Likewise, a taxpayer could give \$600 in total contributions, including \$200 to a qualifying charitable organization, and receive a \$100 tax credit.</p> <p>http://www.revenue.state.az.us/welflist.htm</p>	<ul style="list-style-type: none"> - Charitable organizations - School tuition organizations. - Public and Charter Schools. - Voluntary Gifts
California	Enterprise zone contribution credit, vacant building rehabilitation credit.	In "enterprise zones" various credits are available to businesses including up to 100% Net Operating Loss (NOL) carry-forward. NOL may be carried forward 15 years. Firms can earn \$29,234 or more in state tax credits for each qualified employee hired. Corporations can earn sales tax credits on purchases of \$20 million per year of qualified machinery and machinery parts. Up-front expensing of certain depreciable property.	<ul style="list-style-type: none"> - Credits Sales and Use Tax Credit - Hiring Credit - Business Expense Deduction - Net Operating Loss

		<p>Lenders to Zone businesses may receive a net interest deduction. Unused tax credits can be applied to future tax years, stretching out the benefit of the initial investment. Enterprise Zone companies can earn preference points on state contracts.</p> <p>http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=23001-24000&file=23604-23684</p> <p>http://www.commerce.ca.gov./state/ttca/ttca_htmldisplay.jsp?iOID=1792&sFilePath=/ttca/detail/D_BCR_RHTML_EnterpriseZones.html&path=Business+%26+Community+Resources&childPath=Community+%26+Investment+Incentives&sTableName=TTCA_NAV&BV_SessionID=@@@0357769693.1099422679@@@&BV_EngineID=ccccadcmmghjheicfngcfkmdffidfog.0&sTTCAHash=</p>	<ul style="list-style-type: none"> - Carryover - Net Interest Deduction for Lenders - As well as a vacant building rehabilitation credit.
Colorado	Enterprise Zone Contribution Credit (EZCC).	<p>A credit of 50% of the value of the monetary contribution was allowed up to a maximum credit of \$100,000. The amount of credit allowed for in-kind contributions alone was limited to 25% of the value of the contribution, up to a maximum credit of \$50,000. New legislation, signed into law in 1996, begins the process of reducing the EZCC from 50% to 25%. Contributions to the enterprise zone must be intended for at least one of the following activities: business assistance, blight redevelopment, child care, facilities, homeless shelters, infrastructure and marketing.</p> <p>http://www.state.co.us/oed/guide/5-3.html</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html</p>	<ul style="list-style-type: none"> - Investment Tax Credit - New Business Facility Job Tax Credit - Job Tax Credit for Agricultural Processing - Job Tax Credit for Employer Health Insurance - State Sales and Use Tax Exemption for Manufacturing and Mining Equipment - Research and Development Tax Credit - Tax Credit for Private Contributions - Rehabilitation of Vacant Commercial Buildings - Job Training Tax Credit - Local Government Tax Incentives
Connecticut	Neighborhood Assistance	A business is limited to receiving \$75,000 in tax credit annually. Non-	Qualify but not limited to...

	Credit (NAC).	<p>profit organizations are also limited to receiving \$150,000 in contributions in the aggregate. The total charitable contributions of the contributing business must equal or exceed its prior year's amount. A minimum contribution on which credit can be granted is \$250. The program has a four million dollar cap which if exceeded, results in proration of approved donations. Municipal and tax exempt organizations may develop programs that qualify for NAA benefits.</p> <p>http://www.ct.gov/drs/cwp/view.asp?a=1510&q=266936</p>	<ul style="list-style-type: none"> - Energy conservation - Employment and training - Child care services - Neighborhood assistance - Substance abuse.
Delaware	Neighborhood Assistance Credit (NAC).	<p>The Neighborhood Assistance Act and the regulations that implement the Act define an impoverished area as any clearly-defined, economically distressed urban or rural area in the State of Delaware that include: (i) census tracts described in 30 <i>Del. C.</i> §2020(1) - the Blue Collar Act and (ii) areas designated as ranking "4" or "5" in the document prepared by DHSS in July, 1997 entitled "Community Prioritization in Delaware" or as subsequently updated.</p> <p>http://www.state.de.us/dedo/Neighborhood%20Assistance%20Act/FACT%20SHEET.htm</p> <p>http://www.state.de.us/dedo/Neighborhood%20Assistance%20Act/NAA%20REG%20FINAL%2031003.htm</p>	<ul style="list-style-type: none"> - Affordable housing construction, repair and/or rehabilitation - Commercial/retail/industrial park revitalization, new construction and/or rehabilitation - Development of small businesses - Employment training and placement - Community services, including counseling and advice, emergency assistance (help with shelter or - - utilities) or medical care furnished to low-income individuals in an impoverished area - Crime prevention - Economic Development
Georgia	Credits for businesses in	The Georgia Department of Labor (GDOL) coordinates the federal Work	<ul style="list-style-type: none"> - Disabled Access Tax

	less developed areas that create new jobs, employers that provide basic skills education, employers that employ AFDC recipients.	<p>Opportunity (WOTC) and Welfare-to-Work (WtW) tax credits. The WOTC encourages hiring workers from targeted groups of job seekers by reducing an employer's federal income tax liability up to \$2,400 per qualified employee. The WtW Tax Credit encourages hiring long-term welfare recipients by reducing an employer's federal income tax liability up to \$8,500 per qualified employee</p> <p>http://www.dol.state.ga.us/em/learn_about_tax_credits_and_incentives.htm</p>	<p>Credit and the Architectural/ Transportation Barrier Removal Tax Deduction</p> <ul style="list-style-type: none"> - Disabled Access Credit IRS Form - Georgia Job Tax Credit Program - Federal Bonding Program Summary
Idaho	Credit for Contribution to Youth and Rehabilitation Facilities (CCYRF).	<p>This program, enacted in 1982, applies to taxpayers who make charitable contributions to the Anchor House, the North Idaho (Northwest) Children's Home, the Idaho Youth Ranch, or to a nonprofit facility that is located in Idaho and is accredited by the Commission on Accreditation of Rehabilitation Facilities. The credit is calculated as 50% of the contribution (contributions may be in the form of merchandise). For individual taxpayers, the credit is limited to the lesser of \$100 (\$200 on a joint return) or 20% of the taxpayer's income tax liability. For corporations, the credit is limited to the lesser of \$500 or 10% of the corporation's tax liability.</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html http://www3.state.id.us/oasis/H0610.html http://www3.state.id.us/oasis/2001/H0298.html</p>	<ul style="list-style-type: none"> - Youth and Children Programs including - Anchor House - The North Idaho (Northwest) - Children's Home - The Idaho Youth Ranch - Nonprofit located in Idaho and is accredited by the Commission on Accreditation of Rehabilitation Facilities
Indiana	Neighborhood Assistance Credit (NAC).	<p>This program, enacted in 1984, allows for a credit against the adjusted gross income tax equal to 50% of the amounts invested in an approved program for neighborhood assistance. Taxpayers who contributed to individuals, groups or neighborhood organizations, or who engage in activities to upgrade economically disadvantaged areas. The credit can be applied against the taxpayer's adjusted gross income tax liability or the financial institutions tax. The amount of credits allowed cannot exceed \$1.5 million in any state fiscal year.</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html http://www.in.gov/dor/reference/bulletins/income/pdf/ib22.pdf</p>	<p>The approved programs include:</p> <ul style="list-style-type: none"> - Education - Crime prevention - Community service - Those programs that provide jobs and job training

<p>Kansas</p>	<p>AFDC Family Contribution Credit (FCC) and Community Service Contribution Credit (CSCC).</p> <p>Community Service Contribution Credit (CSCC)</p> <p>Community Service Contribution Credit</p> <p>Venture Capital Credit</p>	<p>This program, enacted in 1994, is a credit for any individuals providing financial support to a person who would otherwise be eligible to receive AFDC. This credit is equal to 70% of the amount of financial assistance paid by the contributor, and may not exceed the amount of financial assistance that would have been paid under the AFDC program from state matching contributions. The credit is not available if a credit for child care and dependent care expenses was claimed on either a state or federal tax return, or if the contributor receives payment for the care of the person to whom financial assistance was provided.</p> <p>This credit can only be claimed against business income. Individual taxpayers only qualify if they report business income on their returns. The amount of the credit allowed to individuals is limited to the percentage of business income on their return. Projects eligible for inclusion in the CSCC program must address one of three categories: community service, crime prevention, and health-care services. The State of Kansas authorizes a total of \$5 million in tax credits per fiscal year.</p> <p>A business firm must contribute to an approved community service organization or governmental entity which engages in the activities of providing community services, crime prevention or health care services.</p> <p>The credit amount is 50% of the contribution(s) made during the taxable year.</p> <p>If the approved community service organization is located in a rural community (population of 15,000 or less), the credit is 70% of the contribution(s) made during the taxable year.</p> <p>Enacted in 1985, for venture capital companies defined as any for-profit partnership or corporation that has as its primary business activity the investment of funds in return for equity in ventures that are in need of capital for expansion, new product development or similar business purposes.</p> <p>Kansas provides an income tax credit for those taxpayers who invest in stock issued by Kansas Venture Capital, Inc.; a certified Kansas venture capital company; or in the technology-based venture capital company,</p>	<ul style="list-style-type: none"> - Abandoned well plugging credit - Agricultural loan interest rate reduction credit - Alternative-fuel tax credit - Business and job development credit - Job expansion and investment credit act of 1976. <ul style="list-style-type: none"> - (Income taxpayer) - (Privilege taxpayer) - Kansas enterprise zone act <ul style="list-style-type: none"> - (Income taxpayer) - (Privilege taxpayer) - Child day care assistance credit - Community service contribution credit - Disabled access credit - Employer health insurance contribution credit - Habitat management credit - High performance incentive program (HPIP) <ul style="list-style-type: none"> - Investment tax credit - Training and education tax credit - Local seed capital pool credit
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		<p>Sunflower Technology Venture, LP.</p> <p>Privilege taxpayers who invest in stock issued by Kansas Venture Capital, Inc are allowed a credit against their privilege tax liability. The credit amount is 25% of the total amount of cash investment in the stock. Any unused credit may be carried forward until the total amount is used.</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html http://www.ksrevenue.org/taxcredits.htm</p>	<ul style="list-style-type: none"> - Machinery and equipment credit - Oil lease working interest credit - Research and development credit - Swine facility improvement credit - Telecommunications credit - Venture capital credit
Michigan	<p>Community Foundations Credit (CFC)</p> <p>Homeless Shelter / Food Bank Credits (HFC)</p>	<p>For tax years 1989 through 1997, this program allows for a credit equal to 50% of the amount the taxpayer contributes during the tax year to the endowment fund of a certified community foundation. For an individual taxpayer, the credit for a community foundation contribution cannot exceed \$100 (\$200 for joint filers). For a resident estate or trust, the credit cannot exceed the lesser of 10% of the tax liability for the tax year before claiming any personal income tax credits or \$5,000.</p> <p>For tax years 1992 through 1997, a credit is allowed equal to 50% of the cash amount the taxpayer contributes during the tax year to an entity whose primary purpose is to provide food and shelter to indigent or homeless persons if such contribution is tax deductible as a charitable contribution under the Internal Revenue Code. For an individual taxpayer, the HFC cannot exceed \$100 (\$200 for joint filers). For a resident estate or trust, the credit cannot exceed the lesser of 10% of the tax liability for the tax year before claiming any personal income tax credits or \$5,000. The maximum credit that can be claimed by corporations is the lesser of 5% of their tax liability before claiming any credits or \$5,000.</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html http://www.statetaxcentral.com/Michigan/Credits and Incentives</p>	<ul style="list-style-type: none"> - Merit Award - Tax Increment Financing - Brownfield Redevelopment Credit - Historic Preservation Credit - Home Heating Credit - Industrial Facility - Exemption - Investment Tax Credit
Missouri	Neighborhood Assistance	Businesses or individuals in business in Missouri who contribute funds or other resources to certain community improvement projects in the state	<ul style="list-style-type: none"> - Agricultural Product Utilization Contributor

<p>Credit (NAC).</p> <p>Affordable Housing Assistance Credit</p> <p>DPC Development Tax Credit</p> <p>Missouri Low Income Housing Credit</p>	<p>are eligible to receive tax credits through the NAP. The credit equals 50% of the contribution (70% for rural community projects) and may be claimed against various state taxes. Generally, the credit may not exceed \$250,000 per year. All projects must first be approved by the state.</p> <p>The Housing Credit is limited to a percentage of the Qualified Basis, based upon depreciable basis, and the percentage of affordable units in the development. The minimum number of qualifying units is a) 40% of the total number of units affordable to persons at 60% of the median income or b) 20% affordable to persons at 50% of the median income.</p> <p>Federal and state housing tax credit, which may be sold to investors to generate equity for the proposed development.</p> <p>The maximum tax credits provided to "Fundors" of a CDC is \$100,000 (based on investments or contributions of \$200,000). The maximum investment by the CDC in one project/business is \$100,000. The CDC's investment must create/retain at least one full-time job (except in housing). Application approval will be based upon the availability of tax credits within the program along with the order in which they are received.</p> <p>The Housing Credit is limited to a percentage of the Qualified Basis, based upon depreciable basis, and the percentage of affordable units in the development. The minimum number of qualifying units is a) 40% of the total number of units affordable to persons at 60% of the median income or b) 20% affordable to persons at 50% of the median income.</p> <p>http://www.beaconhill.org/BHISTudies/NextStepWR/nscurrentl.html http://dor.mo.gov/tax/taxcredit</p>	<ul style="list-style-type: none"> - Credit - Special Needs Adoption Tax Credit - Bank Franchise Tax Credit - Brownfield Jobs and Investment Credit - Bank Tax Credit for S Corporation Shareholders - Business Use Incentives for Large Scale Development (BUILD) Credit - Community Bank Investment Credit - Development Reserve Credit - Disabled Access Credit - Enterprise Zone Credit - Family Development Account Credit - Higher Education Scholarship Fund Credit - Historic Preservation Credit - Infrastructure Development Credit - Maternity Home Credit - Mature Worker Tax Credit - Neighborhood Assistance Credit - New Enterprise Credit - New Generation Cooperative Incentive Credit - New or Expanded Business Facility Credit - Processed Wood Energy
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			<ul style="list-style-type: none"> Credit - Qualified Research Expense Credit - Rebuilding Communities Credit - Rebuilding Communities and Neighborhood Preservation Act Credit - Remediation Credit - Shared Care Tax Credit - Skills Development Credit - Small Business Incubator Credit - Small Business Investment (Capital Credit) - Sponsorship and Mentoring Program Credit - Youth Opportunities Credit
Montana	Empowerment Zone Tax Credit	<p>Montana breaks down tax incentives for both business and individuals. Business tax credits are then broken down into four major categories Corporate License Tax, Natural Resource Tax, Gasoline and Vehicle Taxes and Property Tax Incentives. There are over 130 different credits within these four categories.</p> <p>Individual tax credits consist of over 20 different programs.</p> <p>Business must be located in a facility within the empowerment zone and must have less than 10% of the business is from retail sales of tangible personal property, other than that manufactured in the facility. Firms must also hire within the empowerment zone.</p> <p>Firms benefit by applying credit against income tax liability for each qualifying employee is \$500 for the first year of employment; \$1,000 for the second year of employment and \$1,500 for the third year of</p>	<p>Individual Tax Credits:</p> <ul style="list-style-type: none"> - Rural Physicians Credit - College Contribution Credit - Qualified Endowment Credit - Elderly Care Credit - Contractors Gross Receipts Tax Credit - Alternative Energy Systems Credit - Energy Conservation Installation Credit - Alternative Energy Production Credit - Recycle Credit

	<p>Dependent care assistance credit</p> <p>Affordable Housing Revolving Loan Account Credit</p>	<p>employment. If the credit exceeds the taxpayers' income tax liability, the credit may be carried forward 7 years and carried back 3 years.</p> <p>Firms or individuals benefit with a credit which is 25% of the amount paid or incurred by the employer for dependent care assistance during the taxable year with a limit of \$1,575 per employee. Any unused credit may be carried forward five years.</p> <p>The credit is 25% of the amount paid or incurred for providing day-care information and referral services, or the amount of daycare facility credit is the lesser of (a) \$2,500 multiplied by the number of dependents the daycare facility is designed to accommodate. Also 15% of the cost of the acquisition, construction, reconstruction, renovation or other improvement, or \$50,000.</p> <p>For individuals, the credit is equal to 20% of the amount donated, up to \$10,000. For corporations, the credit is equal to 10% of the amount donated up to \$10,000. The credit may not be carried forward or carried back. Also, the credit may not be claimed if the donation is taken as a deduction for tax purposes.</p> <p>http://www.discoveringmontana.com/revenue/forbusinesses/businessincentives.asp</p> <p>http://www.discoveringmontana.com/revenue/forindividuals/individualincome/incentivesiit.asp</p>	<ul style="list-style-type: none"> - Dependent Care Assistance Credit - Disability Insurance for Uninsured Montanans Credit - Historical Property Preservation Credit - Developmental Disability Account Contribution Credit - Empowerment Zone Credit - Alternative Fuel Credit - Montana Capital Company Credit - Infrastructure Users Fee Credit - Increasing Research Activities Credit - Mineral Exploration Incentive Credit - Affordable Housing Revolving Loan Account Credit - Elderly Homeowner /Renter Credit
<p>Nebraska</p>	<p>Rural Economic Opportunity Act</p>	<p>A firm must invest up to \$75,000 in order to qualify for tax credits.</p> <p>Employment & Investment Increase = \$1,500 per employee and \$1,000 per \$75,000.</p> <p>Subsequent Employment Increase only = \$1,500 per employee.</p> <p>Enterprise Zone, 50% or More Zone Residents = \$4,500 per employee and \$3,000 per \$75,000.</p>	<ul style="list-style-type: none"> - Invest Nebraska Act - Employment and Investment Credit

		<p>Enterprise Zone, Below 50% Zone Residents = \$1,500 per employee and \$4,500 zone residents and \$1,000 per \$75,000.</p> <p>www.revenue.state.ne.us/incentiv/summary5.htm www.revenue.state.ne.us/incentiv/index.htm</p>	
Oregon	<p>Child Care Contribution Tax Credit</p> <p>Low-Income Caregiver Tax Credit</p>	<p>Like Montana, Oregon breaks down tax incentives for both business and individuals. There are 12 tax credit options for businesses and 12 for individuals a total of 24 tax credits. Many of them overlap and may be used as either a business or as an individual.</p> <p>An Oregon family with both parents working full time at minimum wage earns only \$27,000 per year. These families struggle to afford the cost of child care, which averages over \$3,000 per year, per child.</p> <p>Eligibility consists of a credit if one pays expenses for the care of a person age 60 or older. The care must keep this person from being placed in a nursing home. A household income must be less than \$17,500. Household income is the total taxable and nontaxable income of a husband and wife living in the same household. The credit is equal to the smaller of (1) \$250 or (2) 8 percent of the qualifying expenses paid or incurred during the tax year.</p> <p>http://www.dor.state.or.us/credits.html http://findit.emp.state.or.us/childcare/whatwedo.cfm</p>	<p>Individual Tax Credits:</p> <ul style="list-style-type: none"> - Advanced Telecommunications Facility Credit - Annual Certification for Farm worker Housing Credit - Art Contribution Subtraction - Low Income Caregiver Credit - Credit for Income Taxes Paid to Another State - Crop Donation Tax Credit - Low-Income Caregiver Tax Credit - Long-term Care Insurance Premiums Tax Credit - Political Contributions - Reforestation Tax Credit - Reservation Enterprise Zone Tribal Tax Credit - Retirement Income
Pennsylvania	Neighborhood Assistance Credit (NAC).	The original NAC program started in 1967. Credits are available to businesses for the following programs: neighborhood assistance, job training, education, community services, crime prevention and economic development. The amount of the credit is up to 50% of the contributions	<ul style="list-style-type: none"> - Research and Development Tax Credit - Educational

	<p>Expanded Research and Development Tax Credits</p> <p>Asset Building Family Savings Account Program</p> <p>Self-Employment Assistance Program</p>	<p>to approved programs during the taxable year, but may not exceed \$250,000. An expanded credit of 70% may be available for investments in certain priority programs. This expanded credit carries with it a maximum of \$175,000 per taxpayer.</p> <p>Allows companies holding qualifying Research and Development Tax Credits to apply for approval to sell those tax credits and assign them to the buyer(s). Eligibility firms are those: 1. Holding Research and Development Tax Credits awarded by the PA Dept. of Revenue in December, 2003 or later. 2. Those that do not have tax liability requiring them to use the R&D Tax Credits they hold.</p> <p>Provides grants to community based non-profits to establish programs that provide matching funds to a low-income persons own savings.</p> <p>Provides entrepreneurial assistance and training to enable qualified Unemployment Compensation claimants to consider self-employment as part of their reemployment plan.</p> <p>http://www.inventpa.com/search.aspx http://www.inventpa.com/default.aspx?id=194 http://www.taxesindepth.com/tax-credits.html</p>	<p>Improvement Tax Credit</p> <ul style="list-style-type: none"> - Enterprise Zone Tax - Job Creation Tax Credits (JCTC) - Pre-Kindergarten Tax Credit description. - Tax Credits to Business Firms that contribute towards scholarships and educational improvements.
Rhode Island	<p>Enterprise Zone Tax Benefits - Enterprise Zone Interest Credits</p>	<p>Lenders to a certified business may be eligible for credits based on the interest paid by the business. A taxpayer is allowed a 10% credit (maximum \$10,000) for interest earned on loans made to qualified businesses.</p> <p>Special loan interest rates may be allowed to a taxpayer for a 100% credit (\$20,000 maximum) for interest earned on loans made to qualified businesses for rehabilitation of council-certified industrial or commercial property if the amount of the loan is a minimum of 25% of the business' basis of the real property.</p> <p>http://www.tax.state.ri.us/info/synopsis/syntoc.htm</p>	<ul style="list-style-type: none"> - Personal Income Tax - Credit for Income Taxes of Other States - Personal Income Tax - Qualifying Widow(er) Credit - Personal Income Tax - Property Tax Relief Credit

South Carolina	Two Wage Earner Credit	South Carolina Code §12-6-3330 provides married individuals filing a joint return a credit against South Carolina income tax equal to seven-tenths of 1% (.007) of the lesser of the following: (1) \$30,000 or (2) the South Carolina qualified earned income of the spouse with the lower qualified earned income for the taxable year.	<ul style="list-style-type: none"> - Nursing Facility/In home/Community College Credit - Habitat Management Credit - College Tuition Credit - Credit for Nonresident Retirement Contributions - Minority Business Credit - Economic Impact Zone Stock Deduction
	Child and Dependent Care Expenses Credit	Qualified expenses include amounts paid for household services and care of a child under age 13 claimed as a dependent, a disabled spouse incapable of self-care, or a disabled person incapable of self-care claimed as a dependent. The credit is computed as provided in Internal Revenue Code §21, except that the credit amount is 7%, and only expenses.	
	Community Development Corp. Investment Credit	§12-6-3530 provides a tax credit against South Carolina income tax, bank tax, or insurance premium tax for a business investing in a community development corporation or community development financial institution. The amount of the credit is 33% of the investment (see exceptions below). The total credit that may be claimed by all taxpayers is \$1 million in one calendar year and \$5 million for all calendar years.	
	Credit for Child Care Programs	§12-6-3440 provides that an employer may claim as a credit against its income tax, bank tax, or premium tax liability an amount equal to (a) 50% of its capital expenditures in S.C. but no more than \$100,000, for costs incurred in establishing a child care program for its employees' children and (b) 50% of the child care payments made not to exceed \$3,000. http://www.sctax.org/NR/rdonlyres/8FB60B6D-BE74-4333-BD98-50F33708E413/0/TaxIncentive2004.pdf	

Utah	Rehabilitation Sheltered Workshop tax credit.	Cash contributions made within the tax year to a qualified nonprofit rehabilitation sheltered workshop facility for persons with disabilities operating in Utah are eligible for a credit against Utah income taxes. The credit is equal to 50 percent of the total of cash contributions, not to exceed \$200. Charitable contributions claimed on the federal Schedule A cannot be claimed as a credit on the Utah return.	<ul style="list-style-type: none"> - Withholding - Agricultural Fuel - At-home Parents - Clean Fuel Vehicle - Disabled Employees - Historic Preservation - Mineral Withholding - Nonresident Shareholder Withholding - Renewable Energy
	Recycling Market Development Zones	The Utah Recycling Market Development Zone Program focuses on recycling as an economic development tool by assisting businesses that	

	<p>Low-income Housing</p>	<p>collect, process, distribute or use recycled materials in their manufacturing operations, or compost. Eligible recycling businesses that are located in designated Recycling Market Development Zones qualify for 5% state tax credit on machinery and equipment; 20% state tax credit (up to \$2,000) on eligible new expenditures; technical assistance from state recycling economic development professionals; and various local incentives.</p> <p>This credit is an amount, determined by the Utah Housing Corporation, for the owners of a low-income housing project that have also received an allocation of the federal low-income housing tax credit. Unused credits may be carried back three years or carried forward five years.</p> <p>http://incometax.utah.gov/credits.html http://dced.utah.gov/BUSDEV/recycling.html http://www.recycleutah.org/</p>	<p>Systems</p> <ul style="list-style-type: none"> - Research Activities - Sheltered Workshop - Special Needs Adoptions - Targeted Business - Tax Paid to Another State - Tutoring Disabled Dependents - Enterprise Zones
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<p>Virginia</p>	<p>Neighborhood Assistance Credit (NAC).</p> <p>Enterprise Zone Act Credit</p> <p>Low Income Housing Credit</p>	<p>A business contributing to an approved Neighborhood Assistance Program (NAP) organization may receive a state tax credit equal to 45 percent of their contribution. Eligible business contributions include cash, stock, goods, real estate, rent/lease of nonprofit's facility, and limited health care, professional, and contracting services. Tax credits are available if the contribution value is at least \$889 or no more than \$388,889. The minimum tax credit issued for a business contribution is \$400 (\$889 x .45). A contributing business may take a maximum of \$175,000 (\$388,889 x .45) in NAP credits for any tax year.</p> <p>The credit is a percentage of the tax due on taxable income from within the zone. In addition, a credit for a percentage of unemployment tax due on zone employees may be claimed.</p> <p>The Virginia credit is a percentage of the federal credit. The Board determines the specific percentage to be used in computing the credit. The allowable credit may not exceed ones tax liability. The total amount of tax credits that can be approved by the Department of Housing and Community Development for any taxable year is limited to \$500,000.</p>	<ul style="list-style-type: none"> - Credit for Taxes Paid to Another State - Agricultural Best Management Practices Credit - Coalfield Employment Enhancement Credit - Conservation Tillage Equipment Credit - Employers of Disabled Individuals Credit - Fertilizer and Pesticide Application Equipment Credit - Foreign Source Retirement Income Credit - Historic Rehabilitation Credit - Home Accessibility Features for the Disabled Credit - Major Business Facility Job Credit - Qualified Equity and Subordinated Debt
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	<p>Low Income Individuals Credit</p> <p>Day-Care Facility Investment Credit</p>	<p>The maximum credit you may claim is \$300 for each personal and dependent exemption claimed on your Virginia return. Unlike the Federal Earned Income Credit, this credit is not refundable. The amount of CLI claimed may not exceed your tax liability. Excess credit amounts may not be carried forward to future years. Ones total family Virginia adjusted gross income must below federal poverty guidelines to qualify.</p> <p>As of January 1, 1997, an employer may be eligible for a credit for expenditures incurred to establish a day-care facility for the children of employees. The maximum credit is \$25,000. The Department of Taxation may not approve more than \$100,000 in total credits in any fiscal year. Conditions apply.</p> <p>http://www.tax.state.va.us/site.cfm?alias=TaxCredit</p>	<ul style="list-style-type: none"> - Investments Credit - Recyclable Materials Processing Equipment and Alternative Recycling Credit - Rent Reduction Program Credit - Trust Beneficiary Accumulation Distribution Credit - Vehicle Emissions Testing Equipment, Clean Fuel Vehicle and Certain Refueling Property Credit - Worker Retraining Credit
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Wisconsin	<p>Enterprise Development zone tax credit</p> <p>Community Development Finance Authority Credit</p>	<p>A zone is "site specific" and applies to only one business. The maximum amount of credits per zone is \$3.0 million. Zones can exist for up to seven years. The Department can vary zone benefits to encourage projects in areas of high distress. The Department can designate up to 79 zones. A job tax credit incentive is also part of this legislation.</p> <p>This program can help if you plan to expand a business, start a new one, or relocate a current business to Wisconsin. The CDZ Program is a tax benefit initiative designed to encourage private investment and to improve both the quality and quantity of employment opportunities. The program offers more than \$38 million in tax benefits to assist businesses that meet certain requirements and are located or are willing to locate in one of Wisconsin's 22 Community Development Zones.</p> <p>Both tax credit programs are based on creating or retaining jobs and on cleaning up environmental pollution in community development zones.</p> <p>http://www.dor.state.wi.us/pubs/pb123.pdf http://www.commerce.state.wi.us/CD/CD-bed.html http://www.commerce.state.wi.us/CD/CD-bed-devz.html</p>	<ul style="list-style-type: none"> - Credit for Tax Paid to Another State (For Individuals, Estates and Trusts) - Manufacture's Sales Tax Credit - Research Credits - Technology Zone
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