

OVERVIEW OF VIRGINIA TAX INCENTIVES

Facility Expansion

Non-retail companies that establish or expand a major business can receive a \$1,000 credit for all qualifying jobs created above a minimum threshold amount. The threshold is determined by the location of the company's facility.

Creation of New Jobs

Companies within specific industries who are deciding between locating/expanding in Virginia or another location, and meet certain requirements can receive an in-depth recruitment and training needs analysis provided by the state, along with other job development assistance.

Retraining Programs

Companies that make a minimum \$500,000 capital investment and are retraining at least ten full-time employees are eligible for funding that can off-set training costs and other services.

Zone Investment

Jobs created in certain areas of the state may be eligible for grant assistance, based on the wages paid to eligible positions. Also, "technology businesses" can receive tax incentives and local waivers if they locate within certain areas.

Transportation Development

Certain companies may qualify for VDOT awards of up to \$300,000 if a new road or railroad track must be constructed for the company. The state will also fund an additional \$150,000 if the amount is matched on a dollar-for-dollar basis from a source other than the DOT.

Real Property Investment

Investments made in industrial, commercial, or mixed-use property in an Enterprise Zone, may be eligible to receive a cash grant of 20% of the investment up to certain limits.

Workforce Investment

Benefits are dependent on the local workforce area and include job search assistance, career counseling, training funded through WIA and other federal programs. Also, for on-the-job training, the employer may be reimbursed up to 50% of the employee's wage rate by the LWIB.

Capital Investment

Minimum capital investment amounts are needed to qualify along with at least five years of operation in Virginia for the Investment Partnership Grant.

Tobacco-Dependent Communities

A company will be eligible to receive grants from the Tobacco Region Opportunity Fund, if projects are located in designated areas, have a definitive impact upon employment, and a minimum of \$1 million in capital investment.

Coalfield Economic Development

There are several ways of receiving assistance either in the form of loans or grants. If your business locates within a designated area and helps to diversify the economic make-up of that area, then you may be eligible.

Small Business Development

There are several options for small business owners who are in need of financing support. This support relates primarily to loans and assistance with issuing bonds to fund projects.

Community Reinvestment

Financing is provided to acquire, improve, expand, and/or rehabilitate owner-occupied commercial real estate. The funds may also be used to purchase existing business or restructure existing debt. Loans range from \$50,000 to \$2.5 million.

Community Economic Development

CED supports employment opportunities for low- and moderate- income persons in specific localities. This is done by providing funding for projects involving employment creation by private, for-profit basic industries.