Georgia® USA

BUSINESS INCENTIVES

GEORGIA IS THE NO. 1 PLACE TO DO BUSINESS

Site consultants and companies consistently rank Georgia as America's top state for business (*Site Selection, 2016*; *Area Development*, *2016*). Logistics, global access, quality of life and a talented workforce are just a few of the competitive advantages we offer.

Georgia's innovative business incentives add savings to the already low cost of doing business in the state. Robust tax credit programs can reduce (or even eliminate) a company's state corporate income tax for several years.

Additional incentive programs include Georgia Quick Start, ranked the No. 1 workforce training program in the country (*Area Development*, *2016*).

If you are interested in expanding or locating a business here, the **Georgia Department of Economic Development** (**GDEcD**) is ready to help. We coordinate a variety of services including site location, employee training, export assistance, as well as tax credits and other incentives suitable for your industry or business.

Teams of statewide project managers are organized by industries so they can bring specialized knowledge to companies within their sectors.

The Existing Industry and Regional Recruitment team meet with Georgia's existing companies on site to better understand their needs and match them with resources and programs to help them grow.

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Porsche Groundbreaking

KEY INDUSTRIES

Aerospace

Agribusiness

Automotive

Contact Centers

Data Centers

Defense

Energy and Environment

Film, Television and Interactive Entertainment

Financial Services

Food Processing

Headquarters

Information Technology (IT)

Life Sciences

Logistics and Transportation

Manufacturing

Tourism

GEORGIA'S COMPETITIVE TAX CLIMATE

Georgia's tax climate provides a cost advantage before any tax credits are earned. Georgia has a business-friendly approach to the corporate tax structure – from not altering the low 6% corporate income tax rate since 1969, to adopting a single-factor gross receipts apportionment formula in 2005.

SINGLE-FACTOR APPORTIONMENT

This apportionment formula treats a company's gross receipts (or sales) in Georgia as the only relevant factor in determining the portion of that company's income subject to Georgia's 6% corporate income tax. To many companies, Georgia's single-factor apportionment formula means savings of hundreds of thousands to even millions of dollars over the long term.

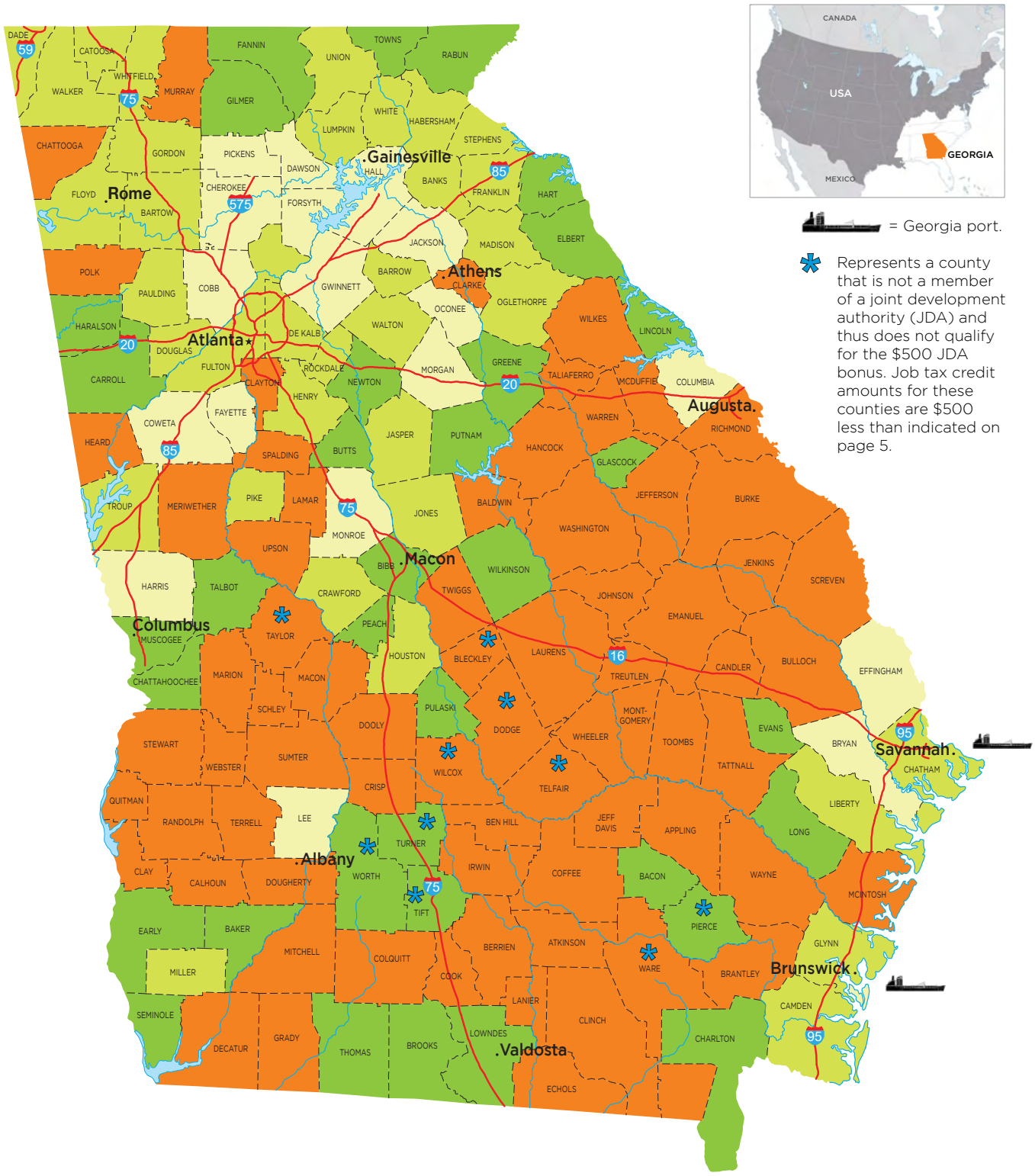
Most states still use a traditional apportionment formula in which a company's in-state property and payroll factor into the calculation of a company's corporate income tax. Single-factor apportionment significantly reduces the effective rate of Georgia income taxation for companies with substantial sales to customers outside Georgia.

In addition, Georgia does not use the so-called "throw back rule" that many states use to tax income from sales of goods or services to out-of-state customers.

Example: For the 2017 tax year, assume you have the following total overall taxable income and gross receipt sales in Georgia (as compared to total gross receipts).
Taxable Income: $10 million
Percent of Gross Receipts in Georgia: 5 percent
In 2017, only $500,000 of your income would be subject to Georgia's 6% corporate income tax, making corporate income tax liability $30,000 [($10 million x 5%) x 6%].

> "It was on the one hand the brilliant support we got from the state of Georgia and the city of Atlanta. Second, and I would say equally as important, is that we can depend on our very proud and very experienced workforce we have here in Atlanta."
>
> *Bernhard Maier*
> *Executive Board of Management*
> *Porsche Cars North America, Inc.*

GEORGIA 2017 JOB TAX CREDIT TIERS



= Georgia port.

Represents a county that is not a member of a joint development authority (JDA) and thus does not qualify for the $500 JDA bonus. Job tax credit amounts for these counties are $500 less than indicated on page 5.

This map is current based on information provided by the Department of Community Affairs as of January 2017.

TAX CREDITS

JOB TAX CREDIT

New and expanding companies may earn Job Tax Credits for creating new jobs in Georgia. These credits can effectively eliminate a company's corporate income tax liability and in certain areas, can also reduce the company's payroll withholding obligations.

The requirements and benefits depend on where the new jobs are located, with lower qualification requirements and higher benefits in Georgia's less developed areas. Each year, all 159 Georgia counties are assigned to one of four "tiers" based on the unemployment rate, per capita income and poverty rate.

Once a company has qualified to earn Job Tax Credits, it can earn a tax credit for each net new job it creates (and maintains) during the next five years. Each of those jobs can earn an annual credit for five years after it is created.

TIER	JOB TAX CREDIT $ (FOR 5 YEARS)	MIN. NEW JOBS	USE OF CREDITS**	CARRY FORWARD
1	$4,000*	2	100% of tax liability - excess to withholding up to $3,500	10 years
2	$3,000*	10	100% of tax liability	10 years
3	$1,750*	15	50% of tax liability	10 years
4	$1,250*	25	50% of tax liability	10 years
MZ/OZ	$3,500	2	100% of tax liability - excess to withholding	10 years
LDCT	$3,500	5	100% of tax liability - excess to withholding	10 years

** Includes $500 bonus for Joint Development Authority (JDA). Georgia counties can form partnerships that benefit companies with this $500 Job Tax Credit bonus. There are currently ten counties that are not a member of a JDA and thus do not qualify for the $500 JDA bonus. See map on page 4.*

*** Tax credits are applied to Georgia corporate income taxes*

MZ= Military Zone OZ= Opportunity Zone LDCT= Less Developed Census Tract

Example: You create 50 jobs in a **Tier 1** county that offers a $4,000 credit, and you will receive $1 million in tax credits over five years to reduce or eliminate Georgia corporate income tax [50 jobs x $4,000 x 5 years = $1 million].

Caterpillar dozers ready to ship at the Port of Brunswick

"From the very beginning, the Georgia Economic Development team has acted as a valued partner -- supporting the startup, and now ongoing operations, of our Athens facility. Recently, the workforce related support we have received, in particular the Quick Start program, has truly contributed to the success of our facility."

Todd Henry
Athens Operations Manager
Building Construction Products Division
Caterpillar Inc.

QUALIFYING FOR THE JOB TAX CREDIT

A company may qualify for Georgia's Job Tax Credit by creating net new full-time jobs at any location in the state, if they or their headquarters are engaged in strategic industries such as:

- Manufacturing*
- Warehousing and Distribution
- Processing
- Telecommunications
- Broadcasting
- Tourism
- Research and Development Facilities
- Biomedical Manufacturing
- Services for the Elderly and Persons with Disabilities

**Includes, but is not limited to, manufacturing alternative energy products for use in solar, wind, battery, bioenergy, biofuel and electrical vehicle enterprises.*

To qualify, each job must be full-time, offer health insurance benefits consistent with what is offered to existing employees, and pay more than the average wage of the county with the lowest average wage in the state ($471/week as of 2016).

The location of the jobs determines the minimum number of net new full-time jobs that must be created in order to qualify for the credit, ranging from two net new jobs (Tier 1) to 25 net new jobs (Tier 4) in the first qualifying year.

New jobs created after the five-year period ends do not earn tax credits unless the project meets the minimum requirement of new jobs in a single year again, and then another five-year cycle may start.

VALUE OF THE JOB TAX CREDIT

The value of the tax credit ranges from $750 to $4,000 each year for five years (depending on the tier and whether the county is a member of a Joint Development Authority) for each new job created over a five-year period. The credit value for each county is indicated on page 5.

Credits may be taken against 100 percent of state corporate income tax liability in Tier 1 and 2 counties, or against 50 percent of state corporate income tax liability in Tier 3 and 4 counties. Claimed but unused credits may be carried forward for 10 years from the close of the taxable year in which qualified jobs were established.

Additionally, in Tier 1 counties, excess Job Tax Credits may be credited to Georgia payroll withholding taxes (with a limitation of $3,500 per job, per year).

SPECIAL ZONES

In addition to the classification of counties into tiers, certain areas may receive special designations. Companies in Less Developed Census Tracts (LDCT), Opportunity Zones (OZ), and Military Zones (MZ) are eligible for a $3,500 job tax credit which can be applied to 100 percent of corporate income tax liability, with excess to payroll withholding. OZs and MZs, as well as Georgia's 40 least-developed counties, offer job tax credits to businesses of any nature, including retail businesses, that create at least two net new jobs.

LDCTs, OZs and MZs are located throughout the state, and the job threshold requirement, job tax credit value, and use of credits allowed in these areas supersedes those of the county in which these designated areas are located.

Job Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40 and rules published by the Georgia Department of Community Affairs in Chapter 110-9.1.

The Home Depot

> "Georgia is our home state and very important to us. The port of Savannah is very strategic for the state of Georgia and very strategic for The Home Depot. About 20% of our imports ... enter through the ... port of Savannah."
>
> *Mark Holifield*
> *Executive Vice President,*
> *Supply Chain & Product Development*
> *The Home Depot*

PORT TAX CREDIT BONUS

The Port Tax Credit Bonus is available to taxpayers who qualify for the Job Tax Credit or the Investment Tax Credit, and increase imports or exports through a Georgia port by 10 percent over the previous or base year. Base year port traffic must be at least 75 net tons, five containers or 10 TEUs (twenty-foot equivalent units); if not, the percentage increase in port traffic will be calculated using 75 net tons, five containers, or 10 TEUs as the base. The Port Tax Credit bonus can be used with either the Job or the Investment Tax Credit program, provided that the company meets the requirements for one of those programs. Port Tax Credits may be used to offset up to 50 percent of the company's corporate income tax liability. Unused credits may be carried forward for 10 years, provided that the increase in port traffic remains above levels established in year one for eligibility and that the company continues to meet the job or investment tax credit requirements. Note that the Port Tax Credit Bonus cannot be utilized with the Quality Jobs Tax Credit. *The Georgia Ports Authority deepwater ports are indicated on the Tier Map found on page 4.*

Port Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.15.

Port Tax Credit Bonus for Job Tax Credits

This "port bonus" is an additional $1,250 per job, per year, for up to five years for taxpayers with qualified increases in shipments through a Georgia port. The $1,250 is added to the Job Tax Credit.

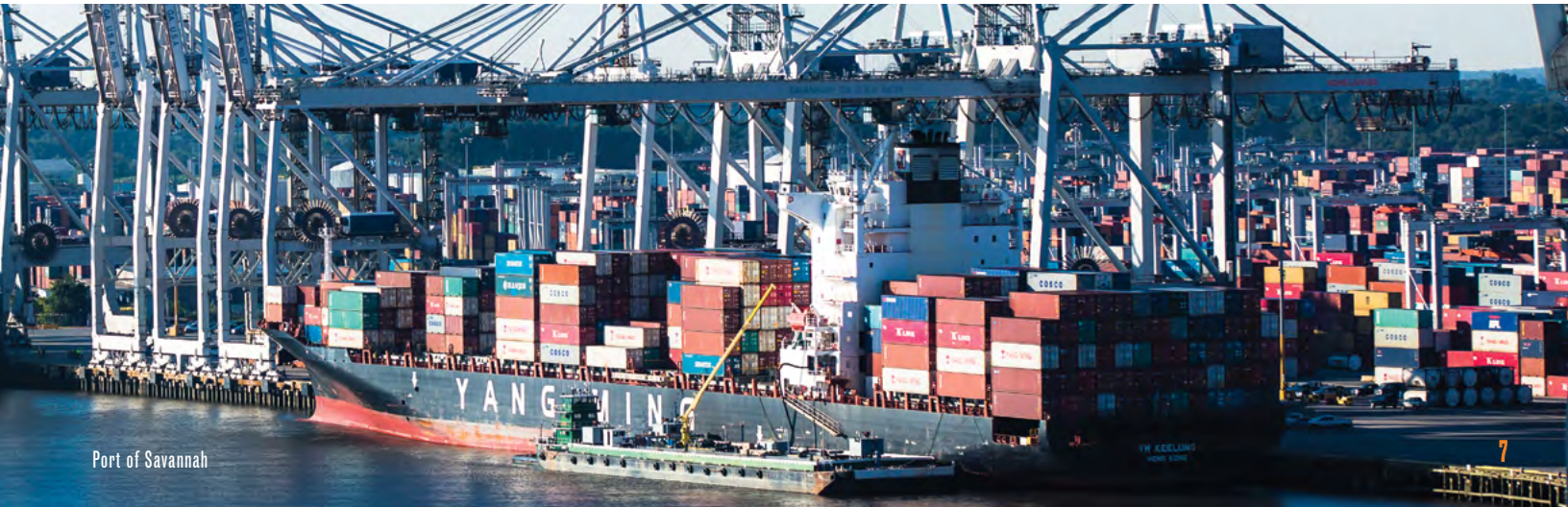
Example: If you create 50 jobs in a **Tier 1** county and increase port traffic by at least 10 percent then you are eligible to receive the Port Tax Credit Bonus. You receive $1,312,500 in tax credits spread over five years to reduce or eliminate Georgia income tax: [50 jobs x ($4,000 job tax credit + $1,250 port tax credit bonus) x 5 years] = $1,312,500.

Port Tax Credit Bonus for Investment Tax Credits

This "port bonus" increases the Investment Tax Credit to the equivalent of a **Tier 1** location regardless of the tier level; therefore, it would be equal to 5% of the qualified investment in expenses directly related to manufacturing or providing telecommunication services with the credit increasing to 8% for recycling, pollution control and defense conversion. *See page 18 for additional information on Investment Tax Credits.*

Example: You qualify for a port bonus in a **Tier 4** county, investing $100 million in a manufacturing plant plus $25 million in recycling equipment. You are eligible for a $7 million investment tax credit to reduce or eliminate Georgia income tax: [$100 million x 5%] + [$25 million x 8%] = $7 million.

GEORGIA'S SAVANNAH PORT IS THE FASTEST-GROWING IN THE UNITED STATES.



Port of Savannah

QUALITY JOBS TAX CREDIT

Companies may receive Quality Jobs Tax Credits (QJTC) if, during a 12-month period, they create and maintain at least 50 net new jobs that pay at least 110 percent of the county's average wage. The QJTC value ranges from $2,500 to $5,000 per job, per year, for up to five years.

After qualifying, a company can earn additional QJTC credits ($2,500 to $5,000 per job, per year, for up to five years) over the next seven years by creating and maintaining additional qualifying jobs. New jobs created after the seven-year period ends do not earn QJTC credits unless the project creates at least 50 net new qualifying jobs in a 12-month period again to begin another seven-year cycle.

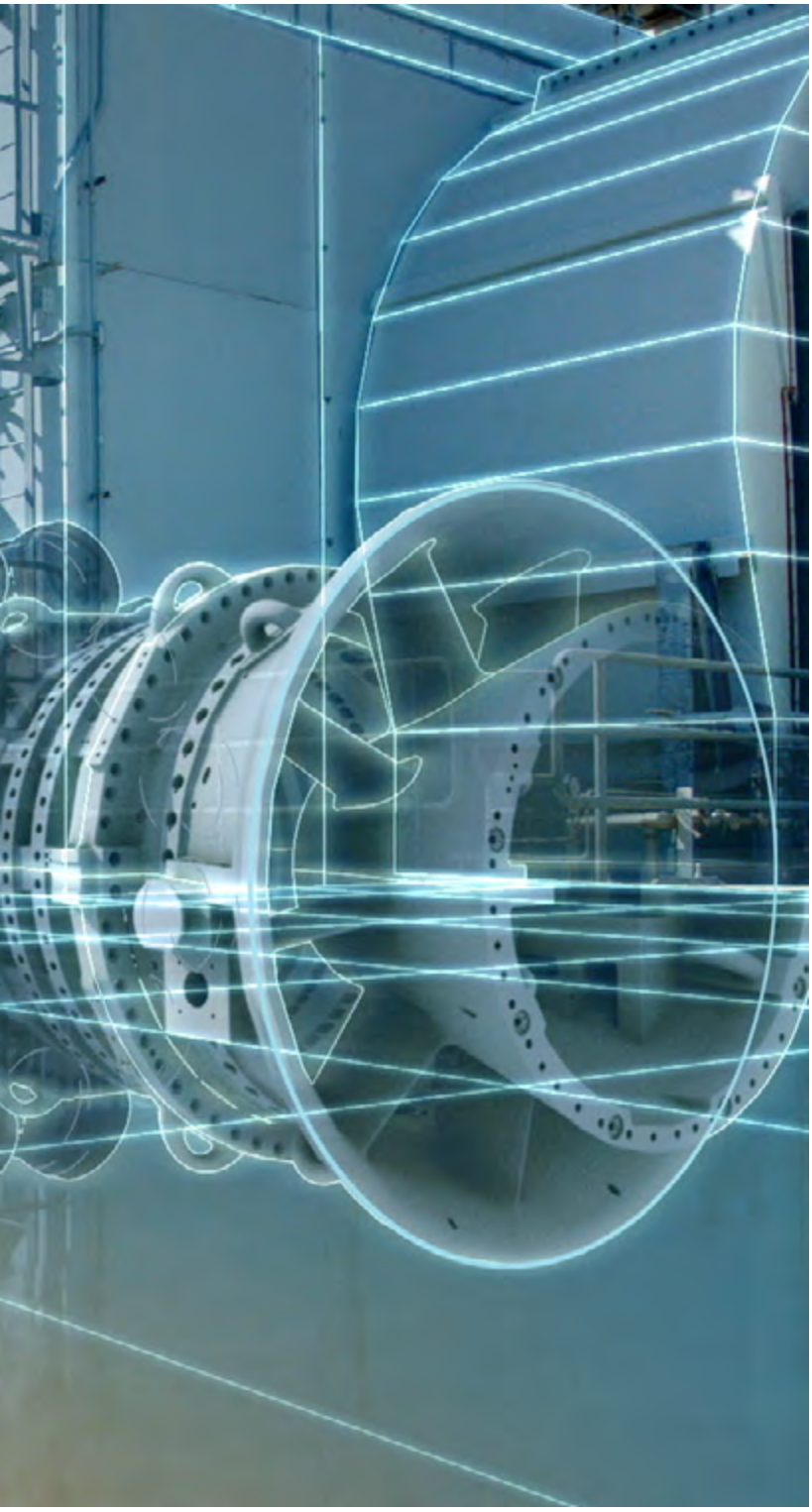
QJTC may be applied against 100 percent of the state corporate income tax liability, and once that liability has been exhausted, the credits may be used to offset the company's state payroll withholding. Claimed but unused credits may be carried forward for 10 years from the close of the taxable year in which the qualified jobs were established.

New jobs that do not meet the requirements for the QJTC may count toward Job Tax Credits if they meet the eligibility requirements for that program separately. For current average county wages, visit **Explorer.DOL.State.GA.US/mis/Current/ewcurrent.pdf.** QJTCs are subject to requirements outlined in O.C.G.A. § 48-7-40.17 and rules published by the Georgia Department of Revenue in regulation 560-7-8-.51.

% OF COUNTY AVERAGE WAGE	QUALITY JOB TAX CREDIT $ (FOR 5 YEARS)
≥110% and <120%	$2,500
≥120% and <150%	$3,000
≥150% and <175%	$4,000
≥175% and <200%	$4,500
200% or greater	$5,000

GE Digital

Example: You create 75 new jobs in a **Tier 1** county that is part of a Joint Development Authority (JDA). Of those 75 jobs, 50 of them meet the QJTC wage requirement, with an average wage for those qualifying jobs of 205 percent above the county average. This earns a $5,000 QJTC credit for each of the 50 jobs; the 25 jobs that do not meet the QJTC wage requirement qualify for the JTC. This earns a $4,000 JTC credit for each job. You are eligible for $1,750,000 in tax credits [50 jobs x$5,000 QJTC x 5 years + 25 jobs x $4,000 JTC x 5 years = $1,750,000].



RESEARCH & DEVELOPMENT TAX CREDIT

Georgia offers an incentive to new and existing business entities performing qualified research and development in Georgia. Qualified research expenses are defined in Section 41 of the Internal Revenue Code of 1986, as amended, except that all wages paid and all purchases of services and supplies must be for research conducted within the state of Georgia. Companies may claim a 10 percent tax credit of increased R&D expenses subject to a base amount calculation.

The base amount = Current Year Georgia Gross Receipts x [(the average of the ratios of the company's qualified Georgia research expenses to Georgia gross receipts for the preceding three taxable years) OR 0.300, whichever is less]. For new Georgia companies or for companies with no prior R&D expenditures in Georgia, the base amount is 30 percent of the current year's Georgia gross receipts.

The credit is determined by taking the current year's qualified R&D expenses, subtracting the base amount, and multiplying by 10 percent. The R&D credit is applied to 50 percent of the company's net Georgia corporate income tax liability after all other credits have been applied. Any excess R&D credits can then be applied to the company's state payroll withholding. Any unused credits can be carried forward for up to 10 years from the close of the taxable year in which the qualified research expenses were made.

Research and Development Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.12.

MORE THAN 2,400 CLINICAL TRIALS ARE BEING CONDUCTED IN GEORGIA.

"We need a place where we can recruit, retain and get the greatest intellectual capital in the world, and we find that here in Georgia. It took me five years to get from a startup to 30 people; I moved to Georgia and within three years, I had 600 employees and was public."

Alan Dabbiere
former Chairman,
VMware AirWatch

MEGA PROJECT TAX CREDIT

Companies that

- Hire at least 1,800 net new full-time employees;
- Either invest a minimum of $450 million or have a minimum annual payroll of $150 million; and
- Pay an average wage above specified minimums or show high growth potential

may claim a $5,250 per job, per year tax credit for the first five years of each net new job position. Companies can have up to 10 years to meet the job creation threshold depending on the amount of qualified investment:

By the end of:	If the company has purchased or acquired qualified investment property valued at	The company must meet the job creation threshold no later than the end of:
Year 6	Between $450 million and $600 million	Year 6
	Between $600 million and $800 million	Year 8
Year 8	≥$800 million	Year 10

Credits are first applied to 100% of state corporate income tax liability, with excess credits eligible for use against state payroll withholding. Credits may be carried forward for 10 years. A maximum of 4,500 new jobs created by any one project may be eligible to receive these credits. If the required 1,800 new jobs are not maintained, the company may be subject to recapture provisions.

Example: You create 2,000 new jobs and invest $500 million in a new facility and equipment. You will be eligible to receive $52.5 million in tax credits over five years to reduce or eliminate Georgia income tax, with any excess credits eligible for use against state payroll withholding [2,000 jobs x $5,250 credits/job x 5 years = $52.5 million].

Mega Project Tax Credits are subject to detailed program requirements as outlined in O.C.G.A. § 48-7-40.24

NCR Headquarters, opening 2018

Coca-Cola

Hitachi

Delta Air Lines

"The state of Georgia truly understands business and the requirements of doing business better than most other states. From the start, we appreciated and recognized the business-friendly community. This type of environment, along with a valuable incentive package, attracts big companies and compels them to get involved and give back."

James Williams
Executive Vice President (2015)
Mitsubishi Hitachi Power Systems Americas

WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)

The Georgia Department of Labor (GDOL) coordinates the federal Work Opportunity Tax Credit Program. The WOTC program is a federal tax credit incentive that the U.S. federal government provides to private-sector businesses for hiring individuals from nine target groups who have consistently faced significant barriers to employment.

Among others, target groups include:

- Unemployed veterans
- Certain Temporary Assistance for Needy Families (TANF) recipients
- Food Stamp recipients
- Certain residents of an Empowerment Zone (EZ)
- Rural Renewal County (RRC) residents

Participating companies are compensated by being able to reduce their federal income tax liability with a tax credit between $1,200 to $9,000 per qualified employee, depending on the target group. For more information visit: **DOL.State.GA.US/em/learn_about_tax_credits_and_incentives.htm.**

CHILD CARE TAX CREDITS

The Child Care Tax Credit is for employers who purchase or build qualified child care facilities, or who provide or sponsor child care for employees.

For employers who purchase or build a state-licensed facility, the credit is equal to 100 percent of the cost of construction, which is earned over 10 years (10 percent each year). Unused credits can be carried forward for three years.

Employers who provide or sponsor child care at a state-licensed facility are eligible for a credit equal to 75 percent of the employer's direct costs. Credits that are related to providing or sponsoring child care may be carried forward for five years.

All child care tax credits can be applied to 50 percent of the corporate income tax liability.

Child Care Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.6 and rules published by the Georgia Department of Revenue in regulation 560-7-8-.38.

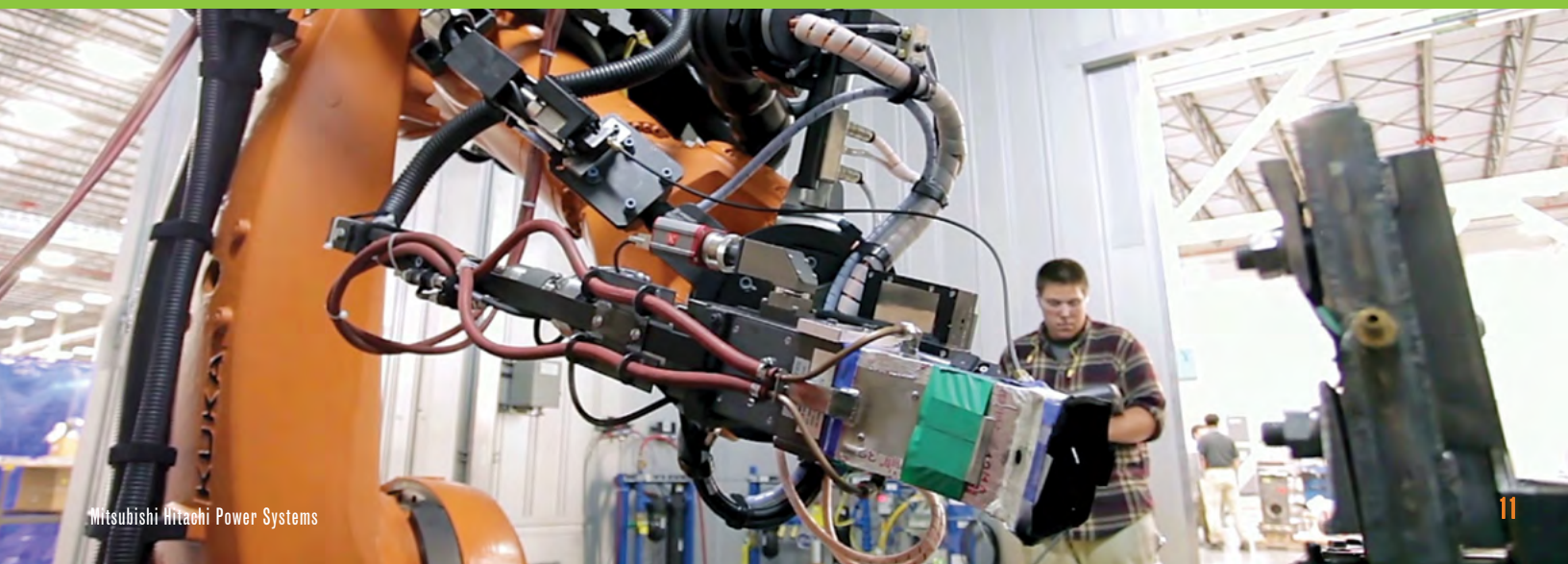
PAROLEE TAX CREDIT

Effective January 1, 2017, Georgia offers a $2,500 per person tax credit for hiring an individual granted parole within 12 months of his or her date of hire.

This credit, which can be used in addition to any job tax credits that the company may be eligible for with the position, can only be used once per individual, and there is a per-employer limit of $50,000 for each tax year. The credits are applied to 100% of state corporate income tax liability, with the ability to carry forward any excess credits for three years.

Employers from any industry are eligible for the tax credit, but the company can only claim the tax credit if it pays the individual at or above the average wage of the county with the lowest average wage in the state ($471/week as of June 2016).

Parolee Tax Credits are subject to program requirements as outlined in O.C.G.A. 48-7-40.31 and rules published by the Georgia Department of Revenue in regulation 560-7-8-.58.



Mitsubishi Hitachi Power Systems

GEORGIA FILM, TELEVISION AND INTERACTIVE ENTERTAINMENT TAX CREDIT

The Georgia Entertainment Industry Investment Act offers an across-the-board flat tax credit of 20 percent based on a minimum investment of $500,000 on qualified productions in Georgia.

The $500,000 minimum expenditure threshold can be met with one or the total of multiple projects aggregated. An additional 10 percent uplift can be earned by including an embedded, animated Georgia logo and web link on the project's promotional webpage, or through approved alternatives if they offer equal or greater marketing opportunities for the state. Qualified expenditures include materials, services and labor.

Eligible productions include:

- Feature Films
- Television Movies
- Pilots or Series
- Commercials
- Music Videos
- Certain Interactive Entertainment Projects (Animation, Special Effects and Video Game Development)

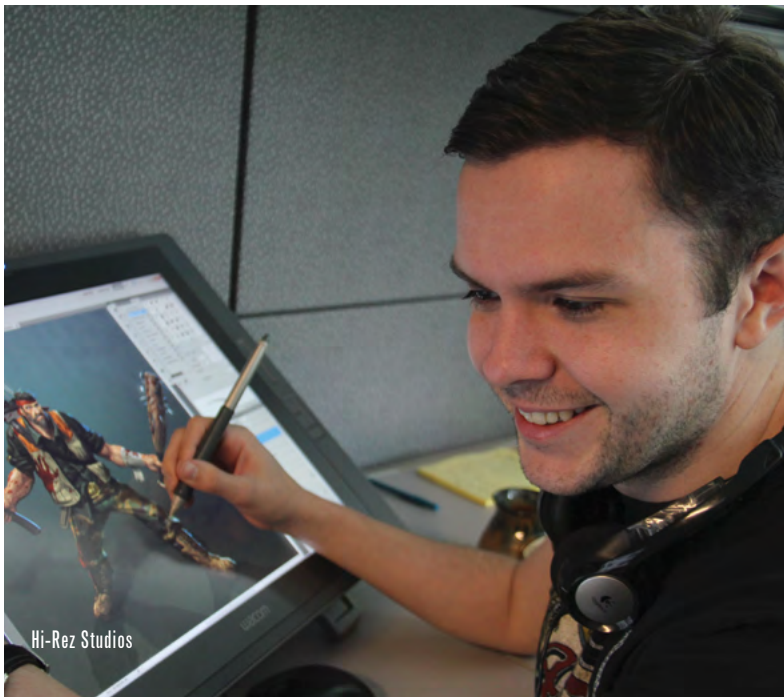
Interactive entertainment companies will be eligible for this credit only if their gross income is less than $100 million. The maximum credit for any qualified interactive entertainment production company and its affiliates will be $5 million. The total credits available for interactive entertainment production companies and their affiliates will be capped at $25 million each year and will be awarded on a first-come, first-served basis.

This income tax credit may be used against Georgia income tax liability or the company's Georgia payroll withholding. If the production company chooses, they may make a one-time sale or transfer of the tax credit to one or more Georgia taxpayers.

Film, Television and Interactive Entertainment Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.26.

Hidden Figures, 2016

Stranger Things, 2016



Hi-Rez Studios

THE FILM AND TELEVISION INDUSTRIES IN GEORGIA GENERATED MORE THAN $7 BILLION DURING FY16 (JULY 1, 2015 - JUNE 20, 2016)

TAX EXEMPTIONS

SALES AND USE TAX EXEMPTION

Georgia helps companies lower their cost of doing business by offering the ability to purchase various types of goods and services tax free. These sales tax exemptions are defined in O.C.G.A. § 48-8-3, 48.8-3.2 and 48-8-3.3. Several key exemptions are outlined in the table below.

Exemption	Description
Manufacturing Machinery and Equipment	Manufacturing machinery and equipment that is integral and necessary to the manufacturing process and used in a manufacturing facility located in this state is exempt from sales tax. Qualifying machinery or equipment must be purchased for a new manufacturing facility, as replacement machinery in an existing manufacturing facility, or for the upgrade or expansion of an existing manufacturing facility.
Repair to Industrial Machinery	The sale or use of repair or replacement parts, machinery clothing, molds, dies, waxes or tooling for machinery that is necessary and integral to the manufacture of tangible personal property in an existing manufacturing plant is exempt from taxation.
Industrial Materials and Packaging	Materials used for further processing, manufacture or conversion into components of a finished product; materials coated upon or impregnated into a product being manufactured for sale; and non-reusable materials used to package products for sale or shipment may be purchased tax-free.
Energy Used in Manufacturing	The sale, use, storage or consumption of energy that is necessary and integral to the manufacturing process is exempt, except for the portion dedicated to education (in most cases 1%, but there are a few communities with 0% or 2% dedicated to education). This includes energy used directly or indirectly in a manufacturing facility. Specifically, energy means natural or artificial gas, oil, gasoline, electricity, solid fuel, wood, waste, ice, steam, water and other materials necessary and integral for heat, light, power, refrigeration, climate control, processing or any other use in the manufacture of tangible personal property. Counties and municipalities have the option of passing a local excise tax of the value of the local portion of sales and use tax being exempted (in the majority of cases 3%, but the value can vary from 2% to 4%).
Primary Material Handling Equipment	Machinery and equipment used to handle, move or store tangible personal property in a new or expanded distribution or warehouse facility where the total purchase or expansion is valued at $5 million or more is exempt. The distribution or warehouse facility may not have retail sales equal to or greater than 15% of the facility's total revenues.
Pollution Control Equipment	The sale of machinery and equipment and any repair, replacement or component parts for such machinery and equipment which is used for the primary purpose of reducing or eliminating air or water pollution is exempt.
Computer Hardware and Software for High Technology Companies	The sale of certain computer equipment is exempt when the total qualifying purchases by a high technology company in a calendar year exceed $15 million. A high technology company must be classified under certain relevant North American Industry Classification System codes.
Clean Room Equipment	Machinery, equipment and materials used in the construction or operation of a clean room of Class 100 or less when the clean room is used directly in the manufacture of tangible personal property is exempt.
Water Costs	The sale of water delivered through mains, lines or pipes is specifically exempt.
Telecommunications Services	Local exchange telephone service is subject to sales and use tax. All other call service types (VoIP, long distance) are not.

INVENTORY TAX EXEMPTION

The state of Georgia has no property tax on inventory or any other real or personal property. Under Georgia's Level One Freeport law, counties and municipalities have the option of enacting a local property tax exemption for four different classes of inventory. The local government can exempt the property at 20, 40, 60, 80 or 100 percent of the value. The fourth class of goods, inventory at an e-commerce fulfillment center, was created by the Georgia legislature in 2016.

The four classes of goods under Level One Freeport:

Class One: Inventory of goods in the process of being manufactured or produced including raw materials and partly finished goods.

Class Two: Inventory of finished goods manufactured or produced within this state held by the manufacturer or producer for a period not to exceed 12 months.

Class Three: Inventory of finished goods on January 1 that are stored in a warehouse, dock or wharf which are destined for shipment outside this state for a period not to exceed 12 months.

Class Four: Stock in trade of a fulfillment center which on January 1 are stored in the fulfillment center.

Local governments can also hold a referendum to approve Level Two Freeport, which would extend the exemption to any inventory or real property not covered by Level One, including retail inventory. Level One and Level Two Freeport Exemptions are outlined in O.C.G.A. 48-5-48.1, 48-5-48.2, 48-5-48.5, and 48-5-48.6.

FOREIGN-TRADE ZONE (FTZ)

Georgia is home to multiple FTZ sites and is a recognized leader in working with companies to facilitate use of the program. Importing and exporting are central to many businesses' success, and the program streamlines those activities and lowers costs. The FTZ program allows qualified companies to defer, decrease or eliminate duties on materials imported from overseas that are used in products assembled in Georgia. Whether a company's needs are best served by locating in one of Georgia's industrial parks with FTZ designation, or applying for FTZ designation of an individual facility located elsewhere in Georgia, GDEcD can provide the right contacts to assist with the process.

ONE-STOP ENVIRONMENTAL PERMITTING

Georgia's environmental permitting program is consolidated with the U.S. Environmental Protection Agency (EPA) for the issuance of federal permits; a one-stop process that provides a faster turnaround than in states that must rely on U.S. EPA to issue permits. The director of the Environmental Protection Division (EPD) of the Georgia Department of Natural Resources is authorized to grant all permits provided for by EPD-enforced laws, including the Federal Clean Water, Clean Air and Safe Drinking Water Acts.

Major regulatory programs currently assigned to EPD include air quality control, water quality control and withdrawal, hazardous waste management, solid waste management and wastewater land application. Georgia's one-stop permitting reduces government red tape and enables companies to acquire required permits more quickly. In addition, Georgia EPD offers optional, fee-based, expedited air quality permitting for projects with very short lead times.

GEORGIA COMPANIES EXPORT APPROXIMATELY $30 BILLION IN GOODS AND SERVICES ANNUALLY.

"Atlanta offers us access to some of the brightest and most innovative software talent in the U.S. Honeywell is thrilled to be launching a state-of-the-art agile software-driven product development center in Georgia to create leading-edge software offerings based on the latest Cloud, Mobility and Analytics technology."

Krishna Mikkilinen
Senior Vice President of Engineering Operations and IT
Honeywell

HIRING, TRAINING AND EDUCATION

GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT WORKFORCE DIVISION

The Workforce Division (WFD) of the Georgia Department of Economic Development is focused on ensuring that education and training in Georgia is geared toward in-demand jobs. WFD plays a critical role in maintaining Georgia's distinction as the No. 1 state in the nation to do business.

After you have decided to locate your business in Georgia, the Workforce Division can provide access to a number of training resources that can help you develop a strong and competitive workforce. **Workforce.Georgia.org**

HIRING ASSISTANCE

Georgia's Department of Labor (GDOL) assists employers with recruiting qualified employees by posting notices of their job openings, collecting and screening applications and resumes, referring qualified applicants to the employer for employment interviews, providing office space for interviews, and hosting job fairs and/or individual recruitments. The department's Business Services Unit will plan and execute customized recruiting for new companies. The GDOL also works with private employment agencies that list job openings with the state.

QUICK START EMPLOYEE TRAINING

As the No. 1 workforce training program in the country, Quick Start develops and delivers fully customized, strategic workforce solutions for qualified companies investing in Georgia. Quick Start helps companies assess, select and train the right people at the right time for success. **Services are provided free of charge as a discretionary incentive for job creation for clients opening or expanding manufacturing operations, distribution centers, headquarters operations and customer contact centers in a broad range of industries.**

Services include:

- Strategic workforce consultation – Quick Start's training professionals work with company subject-matter experts to guarantee training meets business goals.
- Pre-employment assessment – Helps companies assess candidates according to their own defined criteria and preview their skills.
- Customized post-employment and job-specific

Kia Motors

training – From fundamental knowledge to supervised on-the-job training on a company's own technology and processes, Quick Start prepares employees for maximum effectiveness and efficiency.
- Leadership and productivity enhancement training – Businesses maintain competitiveness and emphasize continuous improvement for all team members with Quick Start's guidance.

GeorgiaQuickStart.org

RETRAINING TAX CREDIT

Part of a company's direct investment in training full-time employees can be claimed as a tax credit. The credit is available to all Georgia businesses that file a Georgia income tax return.

Training programs must:
- Be approved by the Technical College System of Georgia
- Train in quality and productivity enhancements or certain software technologies

The retraining tax credit value is calculated at 50 percent of the employer's direct costs, up to $500 per employee per approved retraining program per year. The total amount of credit for one employee cannot exceed $1,250 per year.

Retraining tax credits can be:
- Used to offset up to 50 percent of a company's state corporate income tax liability
- Carried forward for 10 years if they are not used during a tax year
- Combined with other tax credits

Retraining Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.5. For a detailed guide on these credits, visit **GeorgiaQuickStart.org/econdev/retrain.html**.

HOPE SCHOLARSHIP AND GRANT PROGRAMS

HOPE — Helping Outstanding Pupils Educationally – is Georgia's unique scholarship and grant program that rewards students with financial assistance in degree, diploma and certificate programs at eligible Georgia public and private colleges and universities, and public technical colleges.

The HOPE Scholarship is available to eligible Georgia students who meet academic requirements, and covers a substantial percentage of tuition costs for degree programs in Georgia's public colleges and universities.
The HOPE Grant provides tuition assistance to eligible Georgia residents seeking a technical degree or certificate at one of Georgia's technical colleges. Eligibility is not dependent upon high school GPA and is open to students enrolled in a technical college who have not already earned a bachelor's degree. These programs can be advantageous to relocating families with children, and for companies training employees through local technical colleges.
GAfutures.org

GEORGIA'S COLLEGES AND UNIVERSITIES

Each year, more than 90,000 degrees are earned through Georgia's public and private colleges and universities. These institutions connect employers with their students and graduates through career services centers, which facilitate internships and co-ops, as well as provide employers with recruiting opportunities. Employers can contact individual colleges and universities, the University System of Georgia, the Technical College System of Georgia and the Georgia Independent College Association to learn more.

The **Strategic Industries Workforce Development Grant (SIWDG)** is a state-funded grant that provides financial support for Technical College System of Georgia (TCSG) students in majors that prepare students for high-demand careers. The SIWDG supplements the HOPE Grant, resulting in free tuition, as well as some of the cost of books and fees. There are more than 125 different TCSG majors to choose from in the 12 SIWDG program areas.

SIWDG PROGRAM AREAS

- WELDING AND JOINING TECHNOLOGY
- DIESEL EQUIPMENT TECHNOLOGY
- COMMERCIAL TRUCK DRIVING
- PRECISION MANUFACTURING
- CERTIFIED ENGINEER ASSISTANT
- INDUSTRIAL MAINTENANCE
- COMPUTER PROGRAMMING
- COMPUTER TECHNOLOGY
- MOVIE PRODUCTION SET DESIGN
- HEALTH SCIENCE
- EARLY CHILDHOOD CARE AND EDUCATION
- PRACTICAL NURSING

ASSISTANCE FOR SMALL BUSINESSES AND ENTREPRENEURS

Small businesses can qualify for many of the programs outlined in this brochure. In addition, Georgia offers several programs specifically designed to meet the needs of small businesses and entrepreneurs. **Georgia.org/SmallBusiness**

STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI)

The State Small Business Credit Initiative is designed for small business lending through banks or Community Development Financial Institutions (CDFIs) offering loan guarantees and partnership lending opportunities. **Georgia-ssbci.com**

ANGEL INVESTOR TAX CREDIT

Georgia offers an income tax credit for qualified investors who invest in certain qualified businesses in Georgia. The credit is claimed two years after the investment is made. The credit is 35 percent of the investment with an individual investor cap of $50,000 per year. O.C.G.A. 48-7-40.30.

D&J Plastics

Vizitech USA

"The Georgia Department of Economic Development was instrumental in helping us get the capital and resources we needed to grow our manufacturing operations from a 4,500 square-foot facility with one molding machine to a 64,000 square-foot facility running 24 molding machines on 3 shifts with production of over 750,000 fishing lures a day."

Dennis Montgomery
President
D&J Plastics

ASSISTANCE FOR GEORGIA'S EXISTING INDUSTRIES

Existing Georgia firms may qualify for many of the programs outlined in this brochure and can also take advantage of several programs dedicated to them.

INVESTMENT TAX CREDIT

Georgia has an investment tax credit available to existing companies in the state. The value of the credit is 1-5 percent (depending on the tier status of the county where the investment is made) of the qualifying investment expenses. To qualify, a company must:

- have operated either a manufacturing or telecommunications facility in Georgia for at least three years, and make a minimum $50,000 investment in a new or existing manufacturing or telecommunications facility in Georgia; OR
- have operated a corporate office or other support facility for a manufacturing or telecommunications company in Georgia for at least three years, and make a minimum $50,000 investment in a new or existing manufacturing or telecommunications facility in Georgia.

Qualified investment expenses include, but are not limited to:

- Amounts expended on land acquisition
- Improvements
- Buildings
- Machinery and equipment to be used in a Manufacturing or Telecommunications facility

Higher credits (3-8 percent, depending on tier status) are available for investments in:

- Recycling or Pollution Control Equipment
- Defense Plant Manufacturing Conversion to a New Product

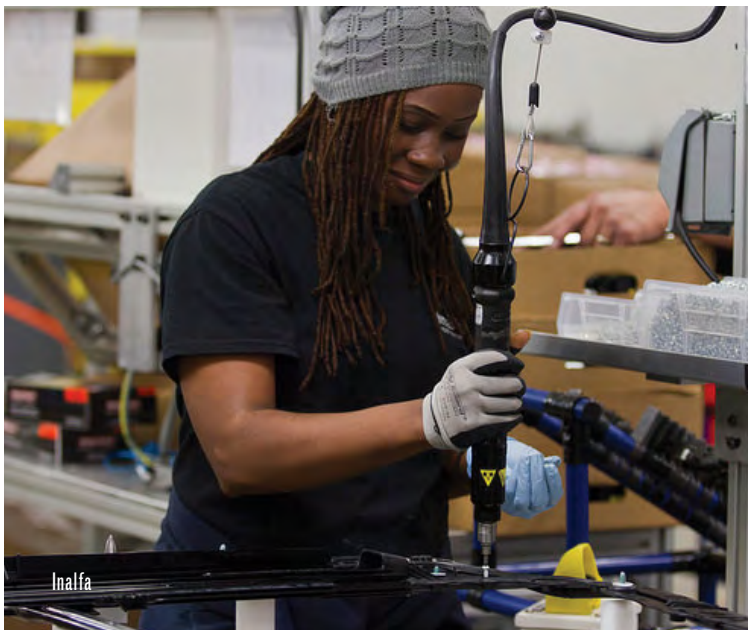
TIER	INVESTMENT CREDITS	MINIMUM INVESTMENT	LIMITS OF CREDITS	CARRY FORWARD
1	5%-8%*	$50,000	50% of tax liability	10 years
2	3%-5%*	$50,000	50% of tax liability	10 years
3	1%-3%*	$50,000	50% of tax liability	10 years
4	1%-3%*	$50,000	50% of tax liability	10 years

**Recycle, Defense Conversion, Pollution Control*

The duration of a project shall not exceed three years unless expressly approved in writing by the Commissioner of the Georgia Department of Revenue. This credit may be applied against 50 percent of state corporate income tax liability and carried forward for 10 years. To be eligible to receive the credits, a taxpayer must submit a written application to the Georgia Department of Revenue requesting approval of the project plan no later than thirty (30) days after the completion of the project. Taxpayers may claim only one of the job or investment tax credits for a given project.

Investment Tax Credits are subject to program requirements as outlined in O.C.G.A. § 48-7-40.2, 48-7-40.3, and 48-7-40.4 and in rules published by the Georgia Department of Revenue in regulation 560-7-8-.37.

Example: In a **Tier 1** county, you invest $100 million in a manufacturing plant plus $25 million in recycling equipment. You are eligible for a $7 million tax credit to reduce or eliminate Georgia corporate income tax [$100 million x 5%] + [$25 million x 8%] = $7 million.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CENTERS OF INNOVATION

Exclusive to Georgia, the Centers of Innovation provide the technical industry expertise, collaborative research and partnerships to help the state's strategic industries connect, compete and grow globally. As a division of the Georgia Department of Economic Development, the six individual centers operate statewide with a focus on: **Aerospace, Agribusiness, Energy Technology, Information Technology, Logistics** and **Manufacturing**.

Georgia businesses receive:

- Focused, deep technical industry expertise
- Identification of new markets and business opportunities
- New product commercialization and development assistance
- Access to ground-breaking research and collaborations
- Business, academic and government partnerships

"The Center has provided invaluable guidance and introductions to strategic partners and business opportunities that we would not have discovered on our own."

Glenn Carver, VP of Business Development
DeltaWing Technology Group

INTERNATIONAL TRADE

The International Trade Division provides Georgia businesses with free export services including market intelligence, key in-country contacts and cost-effective international opportunities to help them diversify and grow. The division leverages the state's international representatives in 11 strategic global markets - Brazil, Canada, Chile, China, Colombia, Europe, Israel, Japan, Korea, Mexico and the UK and Ireland - providing customized export services and solutions.

- **Global Insight** - Providing knowledge including the "how-to's" of exporting, industry-specific and country-specific data. Services include research, export education, consultations, market assessments and partner resources.

- **Global Connections** - Matching Georgia suppliers with international buyers/representatives. Accomplished through international and domestic tradeshows, trade missions, incoming buyer delegations, in-country matching, business partner identifications and Trade Opportunity Alert notifications.

START THE CONVERSATION

The Georgia Department of Economic Development teams help the world's leading companies with everything from site selection to workforce training. To take advantage of our complimentary expertise and connections, **contact us at 404.962.4000 or visit Georgia.org/GlobalCommerce.**

ABOUT GDEcD

The Georgia Department of Economic Development (GDEcD) is the state's sales and marketing arm, the lead agency for attracting new business investment, encouraging the expansion of existing industry and small businesses, aligning workforce education and training with in-demand jobs, locating new markets for Georgia products, attracting tourists to Georgia, and promoting the state as a destination for arts and location for film, music and digital entertainment projects, as well as planning and mobilizing state resources for economic development.

We SPEAK Business | Georgia® USA

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