EDGE
ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY TAX CREDIT

DESCRIPTION
The Economic Development for a Growing Economy (EDGE) Tax Credit provides a refundable tax credit to businesses that create new jobs that improve the standard of living for Indiana residents. The credit certification is phased in annually for up to 10 years based upon the employment ramp up outlined by the business.

ELIGIBILITY
To be eligible for the tax credit, the project:

» Will result in net new jobs that were not previously performed by employees of the applicant

» Is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the state's economy

» Will not go forward if the applicant does not receive the tax credit

» Is supported by the political subdivisions or municipalities affected by the project, as shown by significant incentives provided to the business

EVALUATION CRITERIA
Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis after it has met the basic requirements as follows:

» Business commits to new capital investment in Indiana

» Business commits to the creation of full-time, permanent jobs for Indiana residents at the project location

» Project supports the purpose of the tax credit and meets all of the requirements as set forth in Indiana Code § 6-3.1-13

CALCULATION OF THE CREDIT
The tax credit is calculated as a percentage (not to exceed 100%) of the expected incremental tax withholdings generated by new jobs created by the business at the project location.

REPORTING REQUIREMENTS
Upon execution of an EDGE tax credit contract with the IEDC, the business will be required to report for every calendar year during the term of the contract, up to 12 years.

Information required:

» Summary statistics relating to capital investment that occurred in the applicable year

» Individual employee data to support contractual employment and wage thresholds

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EDGE

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY TAX CREDIT

PROJECT ELIGIBILITY	Company commits to creating new jobs that will result in an incremental increase in the amount of withholdings generated by the company in Indiana
AMOUNT	An amount not to exceed 100% of the incremental withholdings generated by new jobs created by the business at the project location
PASS THROUGH	Yes
CARRY FORWARD	None
CARRY BACK	No
REFUNDABLE	Yes
ASSIGNABLE	No
PROJECT CAP	Award cannot exceed 100% of incremental withholdings generated by the project
PROGRAM CAP	None

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EDGE-NR

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY TAX CREDIT-NON RESIDENT

DESCRIPTION

The Economic Development for a Growing Economy-Non Resident (EDGE-NR) Tax Credit provides a nonrefundable tax credit to businesses that create new jobs that are filled by residents from another state. The credit certification is phased in annually for up to 10 years based upon the employment ramp up outlined by the business.

ELIGIBILITY

To be eligible for the tax credit, the project:

» Will result in net new jobs that were not previously performed by employees of the applicant

» Is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the state's economy

» Will not move forward if the applicant does not receive the tax credit

» Is supported by the political subdivisions or municipalities affected by the project, as shown by significant incentives provided to the business

EVALUATION CRITERIA

Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis after it has met the basic requirements as follows:

» Business commits to new capital investment in Indiana

» Business commits to the creation of full-time, permanent jobs that could be filled by Indiana residents at the project location

» Project supports the purpose of the tax credit and meets all of the requirements as set forth in Indiana Code § 6-3.1-13

CALCULATION OF THE CREDIT

The tax credit is calculated as a percentage (not to exceed 100%) of the amount of incremental tax withholdings that would have been generated by new jobs created by the business at the project location if they were filled by Indiana residents.

REPORTING REQUIREMENTS

Upon execution of an EDGE-NR tax credit contract with the IEDC, the business will be required to report for every calendar year during the term of the contract, up to 12 years.

Information required:

» Summary statistics relating to capital investment that occurred in the applicable year

» Individual employee data to support contractual employment and wage thresholds

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EDGE-NR

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY TAX CREDIT-NON RESIDENT

PROJECT ELIGIBILITY	Company commits to creating new jobs that will result in an incremental increase in the amount of withholdings generated by the company in Indiana
AMOUNT	An amount not to exceed 100% of the incremental withholdings generated by new jobs created by the business at the project location
PASS THROUGH	Yes
CARRY FORWARD	No
CARRY BACK	No
REFUNDABLE	Yes
ASSIGNABLE	No
PROJECT CAP	Award cannot exceed 100% of incremental withholdings generated by the project
PROGRAM CAP	None

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HBI
HOOSIER BUSINESS INVESTMENT TAX CREDIT

DESCRIPTION
The Hoosier Business Investment (HBI) Tax Credit is the IEDC's primary capital investment tool. The HBI tax credit provides an incentive to businesses to support job creation and capital investment that improves the standard of living for Indiana residents. The nonrefundable income tax credits are calculated as a percentage of the eligible capital investment to support the project. The credit may be certified annually, based on the phase-in of eligible capital investment.

ELIGIBILITY
To be eligible for the tax credit, the project:

» Will result in net new jobs that were not previously performed by employees of the applicant or increased payroll at the project location

» Is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the state's economy

» Will not move forward if the applicant does not receive the tax credit

» Is supported by the political subdivisions/ municipalities affected by the project, as shown by significant incentives provided to the business

Eligible capital investment includes building costs associated with the project as well as the purchase of new, used or refurbished machinery, and other modern manufacturing equipment as outlined by Indiana Code § 6-3.1-26-8.

EVALUATION CRITERIA
Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis after it has met the following basic requirements:

» Business commits to new capital investment in Indiana

» Business commits to the creation of full-time, permanent jobs for Indiana residents at the project location; or commits to increasing the total payroll for employees at the project location

» Project supports the purpose of the tax credit and meets all of the requirements as set forth in Indiana Code § 6-3.1-26

CALCULATION OF THE CREDIT
The tax credit is calculated by determining the eligible capital investment and multiplying the total by:

» 10% for qualified investment

» 15% if the qualified investment is for the purchase of digital manufacturing equipment

» 25% if the qualified investment is a logistics investment

REPORTING REQUIREMENTS
Upon execution of an HBI tax credit contract with the IEDC, the business will be required to report for every calendar year during the term of the contract, up to 10 years.

Information required:

» Summary statistics relating to capital investment that occurred in the applicable year

» Individual employee data to support contractual employment and wage thresholds

» Detailed line-item report of eligible investment costs by invoice

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HBI
HOOSIER BUSINESS INVESTMENT TAX CREDIT

PROJECT ELIGIBILITY	Business must commit to capital investments and 1. Create new jobs or 2. Increase payroll at the project location
AMOUNT	Up to 10% of qualified investment Up to 15% of qualified investment: Digital Manufacturing Equipment Up to 25% of qualified investment: Logistics
PASS THROUGH	Yes
CARRY FORWARD	Yes, for up to 9 years after the year in which the investment is made
CARRY BACK	No
REFUNDABLE	No
ASSIGNABLE	No
PROJECT CAP	None
PROGRAM CAP	$50 million each fiscal year $10 million each fiscal year for logistics investments

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INDUSTRIAL DEVELOPMENT GRANT FUND

DESCRIPTION

The Industrial Grant Fund (IDGF) provides assistance to municipalities and other eligible entities as defined under I.C. 5-28-25-1 with off-site infrastructure improvements needed to serve the proposed project site. Upon review and approval of the Local Recipient's application, project specific Milestones are established for completing the improvements. IDGF will reimburse a portion of the actual total cost of the infrastructure improvements.

The assistance will be paid as each Milestone is achieved, with final payment upon completion of the last Milestone of the infrastructure project.

ELIGIBLE EXPENSES

Eligible infrastructure expenses include:

» Lease, purchase, construction or repair of real and personal public property

» Preparation of surveys, plans and specifications for construction of publicly owned and operated facilities, utilities and services

» Construction of airport facilities

» Construction of tourist attractions

» Construction, extension or completion of—

1. Sewer lines and other drainage facilities
2. Waterlines
3. Roads and streets
4. Sidewalks
5. Rail spurs and sidings
6. Fiber-optic and other IT infrastructure

EVALUATION CRITERIA

Each project will be evaluated on its individual merits and with a cost-benefit analysis after it has met the basic requirements as follows:

» Infrastructure cost is used to support new capital investment in Indiana

» Infrastructure cost is used to support the retention or creation of full-time, permanent jobs for Indiana residents at the project location

» Infrastructure cost is eligible, supports the purpose of the fund, and meets all requirements as set forth in I.C. 5-28-25

ELIGIBILITY FOR PAYMENT

To receive payment for a portion of the actual costs of the Infrastructure Project, the Grantee must submit an invoice showing that the Infrastructure Project Milestone was fully reached.

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RTC
REDEVELOPMENT TAX CREDIT

DESCRIPTION
The Redevelopment Tax Credit (RTC) provides an incentive for investment in the redevelopment of vacant land and buildings as well as brownfields. This credit, established by Indiana Code § 6-3.1-34, provides companies and developers an assignable income tax credit for investing in the redevelopment of communities, improving quality of place and building capacity at the local level.

The IEDC may not award more than $50 million in credits each state fiscal year. Any credit award over $7 million must include a requirement that a portion of the credit be repaid by the company or developer.

PROJECT ELIGIBILITY
The credit is available to taxpayers that make qualified investments in the redevelopment or rehabilitation of a qualified redevelopment site. A qualified redevelopment site is considered vacant land, brownfield property over 50 acres, or a vacant building or complex of buildings that are at least 15 years old.

The IEDC will evaluate a project based on a number of factors including its potential impact on the local community, the likelihood the project will spur additional investment, the level of support for the project from local and regional stakeholders, and the project's alignment with a regional or local development plan. Only projects that the IEDC expects to have a positive return on investment will be eligible for a tax credit award.

APPLICATION
An application must be approved before an investment is made. See the application for additional requirements. The application can be found on the IEDC website.

CALCULATION OF CREDIT
The credit is equal to the amount of qualified investment made by the taxpayer during the taxable year, multiplied by a percentage determined by the IEDC (not to exceed 25%). The maximum percentage for a project is determined by the nature of the qualified redevelopment site. An additional 5% may be awarded if the project qualifies for New Markets Tax Credits or is located in an opporunity zone.

ELIGIBLE QUALIFIED INVESTMENT COSTS
Qualified Investment must be for the redevelopment or rehabilitation of a qualified redevelopment site. Expenditures made before they are approved by the IEDC are not considered qualified investment.

Eligible costs may include:

» Acquisition costs, when necessary for redevelopment or rehabilitation and only if the property is substantially improved

» Architectural and engineering fees

» Environmental remediation costs

» Construction management and demolition costs

» Costs directly associated with the redevelopment or rehabilitation of property

» FF&E, if nonmovable

» Permitting costs directly related to redevelopment or rehabilitation

Eligible costs do not include:

» Legal and accounting fees

» Developer fees

» Feasibility studies

» Property insurance

» FF&E, if movable

» Loan origination fees, or other related expenses

» Other professional fees not directly related to the redevelopment or rehabilitation of property

- Reserves
- Other soft costs

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RTC
REDEVELOPMENT TAX CREDIT

INDUSTRIAL RECOVERY VS. REDEVELOPMENT TAX		
	Industrial Recovery Tax Credit (DINO)	Redevelopment Tax Credit
Year Enacted	1987, expires Dec. 31, 2019	2020
Amount	15% 20% 25% Maximum credit amount dependent on age of building	10% 15% 20% 25% Maximum credit amount dependent on age of building and geographical location of the project; Can be increased by 5% if in NMTC or OZ
Pass Through	Y	Y
Assignable	Y Credit may be assigned to a lessee of the industrial recovery site	Y
Carry Forward	Y	Y
Carry Back	N	N
Refundable	N	N
Direct ROI	N	N
Eligibility Limitations	Industrial recovery site must contain a plant with a minimum of 100k sq. ft. of floor space; Must be at least 15 years old	Tiered award for vacant buildings or complex at least 15 years old; Vacant land; or Brownfields over 50 acres
Geographical Limitations	Limited to communities that have a 100k sq. ft. vacant industrial facility	Tiered award based on site's location in the geographical jurisdiction of an RDA
Program Cap	N	$50M annual award limit
Repayment	N	Award amount in excess of $7M
IEDC Discretion	N	Y

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HQRTC
HEADQUARTERS RELOCATION TAX CREDIT

DESCRIPTION
The Headquarters Relocation Tax Credit (HQRTC) provides a nonrefundable tax credit to a business that relocates its headquarters to Indiana. The credit is assessed against the corporation's state tax liability. The HQRTC is established by Indiana Code § 6-3.1-30.

ELIGIBILITY
Businesses eligible to receive an HQRTC award must:

» Be engaged in interstate commerce

» Maintain a corporate headquarters at a location outside Indiana

» Have not previously maintained a corporate headquarters in Indiana

» Have annual worldwide revenues of at least $50 million during the taxable year immediately preceding the business' application for a tax credit

» Relocate its corporate headquarters to Indiana

» Employ at least 75 employees in Indiana after relocating a corporate headquarters to Indiana

A headquarters is considered:

» The principal offices of the principal executive officers of the eligible business

» The principal offices of a division or smaller subdivision of an eligible business

» A research and development center of an eligible business

EVALUATION CRITERIA
Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis.

CALCULATION OF THE CREDIT
The tax credit is calculated by determining the amount of the company's relocation costs multiplied by a percentage determined by the IEDC, up to 50%. Relocation costs are considered:

» Moving costs and related expenses

» Purchases of new or replacement equipment

» Capital investment costs

» Property assembly and development costs including:

- The purchase, lease or construction of buildings and land
- Infrastructure improvements
- Site development costs

Costs that do not directly result from the relocation of the business to Indiana do not qualify as relocation costs.

REPORTING REQUIREMENTS
Upon execution of an HQRTC tax credit contract with the IEDC the business will be required to report for every calendar year during the term of the contract, up to 10 years.

Information required:

» Summary statistics relating to capital investment that occurred in the applicable year

» Individual employee data to support contractual employment and wage thresholds

» Detailed line-item report of eligible relocation costs by invoice

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HQRTC
HEADQUARTERS RELOCATION TAX CREDIT

PROJECT ELIGIBILITY	Businesses with at least $50 million in worldwide revenues must commit to: » Relocating their headquarters to Indiana » Employing at least 75 Indiana residents by the expiration of the tax credit agreement
AMOUNT	Up to 50% of a business's relocation costs
PASS THROUGH	Yes
CARRY FORWARD	Yes, for up to 9 years after the year in which the credit is first claimed
CARRY BACK	No
REFUNDABLE	No
ASSIGNABLE	No
PROJECT CAP	None
PROGRAM CAP	None

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DATA CENTER SALES TAX EXEMPTION

CAPITAL INVESTMENT INCENTIVE

DESCRIPTION

The Data Center Gross Retail and Use Tax Exemption provides a sales and use tax exemption on purchases of qualifying data center equipment and energy to operators of a qualified data center for a period not to exceed 25 years for data center investments of less than $750 million. If the investment exceeds $750 million, the IEDC may award an exemption for up to 50 years. This program is established by Indiana Code § 6-2.5-15.

Local governments may also provide a personal property tax exemption on qualified enterprise information technology equipment to owners of a data center who invest at least $25 million in real and personal property in the facility.

ELIGIBILITY

To qualify for the exemptions, data centers must reach a certain threshold for investment within 5 years of receiving an exemption certificate from the Department of Revenue. The minimum investment required is determined by the population of the county in which the qualified data center is located:

- $25 million in counties with less than 50,000 people
- $100 million in counties between 50,000 and 100,000 people
- $150 million in counties with 100,000 or more people

Equipment that is eligible for the exemption includes the servers and related computer equipment or software purchased or leased for the processing, storage, retrieval or communication of data, as well as other equipment essential to the operation of the data center. This includes electricity used in qualified data center operations. All equipment purchases must be approved by the IEDC before they are made.

EVALUATION CRITERIA

Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis.

APPLICATION & TAX EXEMPTION

Data centers are required to apply to the IEDC for a specific transaction award certificate.

After applying to the IEDC for a specific transaction award certificate, the Indiana Department of Revenue will issue the data center proof of tax-exempt status.

The data center tax exempt status applies for up to 25 or 50 years, depending on the amount of investment the data center commits.

REPORTING REQUIREMENTS

Upon execution of a Data Center Sales Tax Exemption contract with the IEDC, qualified data center operators are required to report for every calendar year during the term of the contract.

Information required:

- Summary statistics relating to qualified expenditures that occurred in the applicable year
- Detailed line-item report of eligible expenditures and how much tax was not paid as a result of the exemption, verified by an independent third party

CRED
COMMUNITY REVITALIZATION ENHANCEMENT DISTRICT TAX CREDIT

DESCRIPTION
The Community Revitalization Enhancement District (CRED) Tax Credit provides an incentive for investment in community revitalization enhancement districts (Indiana Code 36-7-13). The credit is established by Ind. Code 6-3.1-19. Please note that the CRED tax credit is not the same as the CRED financing tool established under Indiana Code 36-7-13.

PROJECT ELIGIBILITY
The credit is available to taxpayers that make qualified investments for the redevelopment or rehabilitation of property located within a revitalization district. Only those projects that the IEDC expects to have a positive return on investment will be considered.

» A taxpayer is not eligible for more than one of the following tax credits for the same project:

» Community revitalization enhancement district tax credit (CRED)

» Redevelopment tax credit (beginning Jan 2020)

» Industrial recovery tax credit (DINO) (expiring Dec. 31, 2019)

» Hoosier business investment tax credit (HBI)

» Venture capital investment tax credit (VCI)

ELIGIBLE QUALIFIED INVESTMENT COSTS
The applicant's qualified investment must be made for the redevelopment or rehabilitation of property located within a CRED, pursuant to a plan adopted by an advisory commission on industrial development per Indiana Code 36-7-13, and approved by the IEDC before the expenditure is made.

Eligible costs may include:

» Acquisition costs, when necessary for redevelopment or rehabilitation

» Architectural and engineering fees

» Construction management and demolition costs

» Environmental remediation costs

» FF&E, if nonmovable

» Permitting costs directly related to rehabilitation

» Other hard costs

» Eligible costs do not include:

» Legal and accounting fees

» Developer fees

» Feasibility studies

» Property insurance

» FF&E, if movable

» Loan costs

» Other professional fees not directly related to rehabilitation of the property

» Reserves

» Other soft costs

CALCULATION AND APPLICATION OF CREDIT
The credit amount is equal to the amount of qualified investment made by the taxpayer during the taxable year multiplied by 25%. The credit may be passed through (see Indiana Code 6-3.1-19-13). The credit is applied against the taxpayer's state or local tax liability, and may be carried forward to the immediately following taxable years.

APPLICATION
An application must be approved before an investment is made. See the application for additional requirements. The application can be found on the IEDC's website.

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CRED
COMMUNITY REVITALIZATION ENHANCEMENT DISTRICT TAX CREDIT

CRED EXPIRATION DATES

Pursuant to Indiana Code, eligible community revitalization enhancement districts expire on the following dates:

CRED	Expiration Date
Anderson	6/30/2030
Bloomington Downtown	6/30/2019
Bloomington Thompson	6/30/2019
Muncie Delco	6/30/2020
Muncie ABB Industrial Centre	6/30/2028
Fort Wayne Downtown	6/30/2026
Fort Wayne Southtown Centre	6/30/2021
Indianapolis Lafayette Square	6/30/2023
Marion	Expired
South Bend	10/15/2019

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SKILLS ENHANCEMENT FUND
WORKFORCE TRAINING GRANT

DESCRIPTION
The Skills Enhancement Fund (SEF) provides assistance to companies to support training of employees required to support business growth in Indiana. The grant may be provided to reimburse a portion (typically 50%) of eligible training costs over a period of two full calendar years from the commencement of the project.

Grants from the Skills Enhancement Fund may only support training that leads to a post-secondary or nationally-recognized industry credential, or is specialized company training. If the training is provided to an existing employee, the company must also provide an increase in wages.

Specialized company training should meet the applicable industry standard or be administered by a third party.

ELIGIBLE EXPENSES
Training expenses associated with the following activities:

» New hire & on-the-job

» Leadership & management

» Advanced technical

» Professional services

» IT, cybersecurity, & software development

» Equipment operation & servicing

» Operations & logistics

» Business development, sales, marketing, & customer service

» Quality assurance & technical standards

INELIGIBLE EXPENSES
» Training expenses incurred prior to the Commencement Date or after the Expiration Date

» OSHA or other federally mandated training

» Onboard orientation training as it relates to new hires

» Conferences not sponsored by the company or contributing to continuing professional education required to fill a position with the company

EVALUATION CRITERIA
Each project will be evaluated on its individual merits and with a cost-benefit analysis after it has met the basic requirements as follows:

» Training cost is used to support new capital investment in Indiana

» Training cost is used to support the retention or creation of full-time, permanent jobs for Indiana residents at the project location

» Training cost is eligible, supports the purpose of the fund, and meets all requirements as set forth in Indiana Code § 5-28-7

REPORTING REQUIREMENTS
Upon execution of a training grant contract with IEDC, the business will be required to report for every calendar year during the term of the contract, which is approximately seven years.

Information Required:

» Summary statistics relating to training, training expenses and capital investment that occur in the applicable year

» Individual employee data to support contractual employment thresholds

» Training expense information and data supporting the positions trained will be required for each payment request

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