

OVERVIEW OF ENTERPRISE ZONES

CITY OF MARTINSVILLE

INCENTIVES AVAILABLE FOR THE CITY OF MARTINSVILLE (pgs. 2-3)

- Real Estate IDA Grant
- Machinery & Tools IDA Grant
- Building Permit Fees Waived
- Waiver of water connection fees
- Business Professional Occupation License (BPOL) fee rebate
- Partial tax exemption

INCENTIVES AVAILABLE FOR HENRY COUNTY (pgs. 4-5)

- Consumer Utility Tax
- Machinery & Tools IDA Grant
- Real Estate IDA Grant
- Waived Fees for Water & Sewer Connection & Availability
- Building Permit Fee Waiver

INCENTIVES AVAILABLE FOR THE COMMONWEALTH OF VIRGINIA (pg. 6)

- General Tax Credit
- Refundable Real Property Improvements
- Large Project Investment Tax Credit

WHAT IS AN ENTERPRISE ZONE?

An Enterprise Zone is an economically distressed area of a county, city, or town, designated by the Governor to encourage new and/or expanded business. The Enterprise Zone program offers several incentives for qualified businesses locating or expanding in the Enterprise Zone.

For more information contact:

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Commonwealth of Virginia

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CITY OF MARTINSVILLE

REAL ESTATE IDA GRANT

Tax grant based on the assessed value of property improvements.

Requires new investment for plant modernization, building rehab, building expansion, or new operation, to be used as a mixed-use building, for the purpose of creating/retaining jobs within the Enterprise Zone.

- No minimum investment required.
- Benefit period - Five (5) years
- Amount of Benefit – 100% of increase for year one (1); 50% for years two (2) thru five (5)
- Submittal required – Real property tax grant application and receipts from paid taxes
- Submission deadline – April 1, 2022

MACHINERY/TOOLS/BUSINESS EQUIPMENT IDA TAX GRANT

Tax grant based on machinery, tools, and/or business equipment assessed value.

Requires new investment for equipment modernization, building expansion or new operations for the purpose of creating/retaining jobs within the Enterprise Zone.

- No minimum investment required
- Benefit period - Five (5) years
- Amount of Benefit – 100% of increase for year one (1); 50% for years two (2) thru five (5)
- Submittal required – Machinery/Tools/Business equipment application and receipts from paid taxes
- Submission deadline – April 1, 2022

BUILDING PERMIT FEE WAIVER

Building Permit fees will be waived for new and expanding operations.

- Benefits are available for each qualified filing
- Amount of Benefit – 100% of fees
- Submittal required – Building permit fee waiver form
- Submission deadline – Prior to securing building permit

WATER/SEWER CONNECTION FEE WAIVER

Connection fees will be waived for domestic and processed water services for new and expanding operations within the Enterprise Zone.

- Benefits are available for each qualified filing
- Amount of benefit – Varies
- Submittal required – Water connection fee waiver form
- Submission deadline – Prior to water connection

BUSINESS PROFESSIONAL OCCUPATION LICENSE (BPOL) FEE REBATE

Business occupation licenses fees will be rebated based on gross receipts for new operations within the Enterprise Zone. Does not include a transfer of ownership of an existing business operation.

- Benefits period – Five (5) years
- Amount of Benefit – 50% of fees
- Submittal required – BPOL Fee Rebate Form and paid license receipts
- Submission deadline – April 1, 2022

PARTIAL TAX EXEMPTION OF SUBSTANTIALLY REHABILITATED REAL ESTATE

Real estate taxes that are paid for projects that include substantial rehabilitation, renovation or replacement will be refunded to the owner.

- No minimum investment required
- Benefit period – Five (5) years
- Amount of Benefit – 100% of increase for one (1) year; 50% for years two (2) thru five (5)
- Submittal required –
- Submission deadline – April 1, 2022

HENRY COUNTY

REAL ESTATE IDA GRANT

Grant for investments for plant modernization, building expansion or new operations for the purpose of creating/retaining jobs within the Enterprise Zone.

- Minimum investment of \$50,000 required
- Benefit period – Five (5) years
- Amount of Benefit – 100% of increase for year one (1); 50% for years two (2) thru five (5)
- Submittal required – Real Property Investment Plan/IDA Grant application form
- Submission deadline – Sixty (60) days prior to commencement of construction

MACHINERY & TOOLS IDA GRANT

For investments in plant modernization, plant expansion or new operations for the purpose of creating/retaining jobs within the Enterprise Zone.

- Minimum investment of \$50,000 required
- Benefit period – Five (5) years
- Amount of Benefit – 100% of increase for year one (1); 50% for years two (2) thru five (5)
- Submittal required – Machinery & Tools Investment Plan/IDA Grant application form
- Submission deadline – March 15th (of the year immediately following the year when investments were made)

BUSINESS FURNITURE, FIXTURES, AND EQUIPMENT GRANT

- Minimum investment of \$50,000 required
- Benefit period - _____
- Amount of Benefit - _____
- Submittal required – Business Furniture, Fixtures, & Equipment Investment Plan/IDA Grant application form
- Submission deadline – March 15th (of the year immediately following the year when investments were made)

BUILDING PERMIT FEE WAIVER

Building Permit fees will be waived for new and expanding operations under the designated SIC codes within the Enterprise Zone.

- Benefits are available for each qualified filing
- Amount of Benefit – 100% of fees
- Submittal required – Building Inspection Fee Waiver form
- Submission deadline - _____

PSA CONNECTION & FACILITIES FEE WAIVER

Availability and connection fees will be waived for new and expanding operations for the purpose of creating/retaining jobs within the Enterprise Zone.

- Fees will be waived based upon PSA procedures and guidelines
- Benefits are available for each qualified filing
- Amount of Benefit- _____
- Submittal required – PSA Fee Waiver form
- Submission deadline - _____

COMMONWEALTH OF VIRGINIA

REAL PROPERTY INVESTMENT GRANT (RPIG)

Awards up to 20% of the total amount of qualified real property investments made to a building or facility, not to exceed \$100,000 within a five (5) year period for investments less than \$5 million.

- Minimum investment of \$100,000 required
- Benefit period – Five (5) years
- Amount of Benefit – 20% of the total amount of qualified real property investments
 - Investor must spend at least \$100,000 in qualified investments
 - Not to exceed \$100,000 within a five (5) consecutive year period for investments of less than \$5 million
 - Investor must spend at least \$500,000 on new construction projects to qualify
 - Grants will be capped at \$200,000 for investments of \$5 million or more
- Submittal required – Applications must be completed online at <https://dmz1.dhcd.virginia.gov/EZonePortal/>
- Submission deadline – April 1, 2022

JOB CREATION GRANT (JCG)

Awards up to \$500/year for each net new, permanent full-time position created above a four-position threshold

- Benefit period – Five (5) years
- Amount of Benefit – Up to \$500
 - Positions earning at least 175% of the federal minimum wage (\$12.69/hour) with health benefits
 - Positions earning at least 200% of the federal minimum wage (\$14.50/hour) with health benefits are eligible for \$800/year for each position over the threshold
 - Grants for up to 350 positions per year for a period of five (5) years
 - Retail, food & beverage and personal service positions are not eligible
- Submittal required - Applications must be completed online at <https://dmz1.dhcd.virginia.gov/EZonePortal/>
- Submission deadline – April 1, 2022

