

**Tulare County Business Incentive Zone
INCENTIVE COMPARISON**

This comparison is to be used as a guide only. For further details, see FTB form 3809, TTA Deduction and Credit Summary and FTB form 3805z, enterprise zone deduction and credit summary. You can contact the BIZ manager at 559-688-3388 for additional questions.

	Targeted Tax Area	Enterprise Zone
Business Eligibility	Businesses with SIC codes: 2000-2099, 2200-3999, 4200-4299, 4500-4599 and 4700-5199 are eligible if located within zone boundaries	No restriction on business type Must be located within zone boundaries
Hiring Credit	50% of qualified wages year 1 40% year 2; 30% year 3; 20% year 4; 10% year 5	Calculation is the same but must reduce wage expense by the amount of the hiring credit
WOTC	Allowed to take with hiring credit	WOTC reduced by EZ credit amount
Vouchering	Eligibility criteria includes residency in the entire TTA	Eligibility criteria includes residency in Targeted Employment Areas
Vouchering Service	WIB provides timely, free service	WIB provides timely service. Possible cost is yet to be determined.
Sales or Use Tax Credit	Credit of sales or use tax paid or incurred to purchase qualified property	Same
Business Expense Deduction	Allowed to treat 40% of the eligible cost of qualified property as a business expense rather than depreciate it over several years. \$50,000 max aggregate cost	Same, but max. aggregate cost is \$100,000 in 1 st taxable year after the ez receives final designation. 2 nd taxable year after designation is \$75,000, 3 rd taxable yr \$75,000 each remaining taxable year is \$50,000.
Net Operating Loss Carryover	NOL allowed to be carried forward for 15 years	Same
Employee Personal Income Tax Credit	Not available	Available
Net Interest Deduction for Lenders	Not available	Lenders to zone businesses may receive a net interest deduction
Local Incentives	Fast track permitting and permit fee deferral	Same
IDB Preference	No	Yes
Zone Expiration	December 31, 2012	15 years from final designation. Approx. Mid 2025