

Georgia Department of Community Affairs

Opportunity Zone Job Tax Credits

Program Description

Local governments which undertake redevelopment and revitalization efforts in certain older commercial and industrial areas can now qualify those areas for the State's maximum job tax credit of \$3,500 per job. The incentive, which is available for new or existing businesses that create two or more jobs, is a Job Tax Credit which can be taken against the business's Georgia income tax liability and payroll withholding tax. The credit is available for areas designated by DCA as an "Opportunity Zone".

DCA will consider designations for areas that are within or adjacent to a census block group with 15% or greater poverty where an enterprise zone or urban redevelopment plan exists.

Opportunity Zone Tax Credit Incentives:

- the maximum Job Tax Credit allowed under law - \$3,500 per job created
- the lowest job creation threshold of any job tax credit program - 2 jobs
- use of Job Tax Credits against 100 percent of Georgia income tax liability and withholding tax
- provides for businesses of any nature to qualify, not just a defined "business enterprise"

For a local government interested in an Opportunity Zone designation, please [click here](#) to access information to assist in considering and applying for a designation.

For businesses interested in the Opportunity Zone Job Tax Credit benefit, please [click here](#) to access information to assist in locating designated Opportunity Zones, local contacts for assistance, and information for businesses to take advantage of the Job Tax Credit in an Opportunity Zone.

If you have an address and are interested in finding out if it is located within a designated Opportunity Zone, please [click here](#) and enter your address in box on the upper left-hand corner of the screen. For detail on designated Opportunity Zones and maps, [click here](#).

Contact Information

To learn more about applying for an Opportunity Zone designation, contact **Cherie Bennett** at (404) 831-2058, or contact the Economic Development Field Representative in your area for community assistance.

To learn more about the Tax Credits available to businesses locating or expanding within a designated Opportunity Zone, contact **Dawn Sturbaum** at (404) 679-1585.

Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, Georgia 30329-2231

www.dca.state.ga.us/economic/DevelopmentTools/programs/opportunityZones.asp

OPPORTUNITY ZONE CERTIFICATION

Please note that the business should complete Part One of this form and then forward to the local Opportunity Zone coordinator. The OZ coordinator will have the information certified in Part Two and forward it to DCA. DCA will acknowledge the Certification and provide copies back to the business, the local OZ coordinator and the Department of Revenue.

The information provided below is intended to validate the location of a business in a currently designated Opportunity Zone (OZ). Please complete all detail requested.

Part One:

Name of Business: _____

Address Location within OZ: _____

Mailing Address, if different from above: _____

By signing below, I hereby certify that the business location above is within the eligible boundaries of a designated Opportunity Zone as defined in O.C.G.A. 48-7-40.1(c)(4) and the business intends to claim a job tax credit for this location on it's Georgia Income Tax Return.

Signature of Officer

Date

Printed Name of Officer

Phone Number

Title

Email Address

Part Two:

Local Opportunity Zone Jurisdiction

Census Block Group of OZ Location (12-digit number): _____

Jurisdiction and Name of Opportunity Zone Area _____

Parcel Number of OZ location: _____

By signing below, I certify that I am an authorized representative of a valid Opportunity Zone jurisdiction and that the business location detailed above is within the currently designated boundaries of the Opportunity Zone.

Signature of Representative

Date

Printed Name of Representative

Title

Department Use Only

Mailing Address:
Job Tax Credit Program Coordinator
Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, GA 30329

Accepted:

Date

By

***** A COPY OF THIS COMPLETED CERTIFICATION FORM MUST BE ATTACHED TO THE TAX RETURN FILED WITH THE DEPARTMENT OF REVENUE WHEN CLAIMING THE TAX CREDIT*****

Opportunity Zone Job Tax Credits

Applicable to Initial Job Threshold met in tax years beginning on or after January 1, 2012

- Part of the Georgia Job Tax Credit Program under O.C.G.A. 48-7-40.1(c)(4)
- Business can be any business of any nature; not bound by “business enterprise” definition
- Business must create at least two (2) net new jobs within a tax year and the new jobs must be full-time jobs working at least 35 hours per week (Note: The two jobs may not be filled by a married couple)
- New jobs must be offered health insurance upon employment; the employer does not have to pay for such insurance, just offer it
- The average wage of each new job created must pay at least the average wage of the county with the lowest average wage in the state – as of June 2014 this is Echols County at \$426 per week or \$22,152 per year, per DOL (Georgia Employment and Wages – 2013 Averages)
- Jobs threshold must be created within a single tax year and tax credit may first be claimed on the initial year tax return — for example, eligible new jobs created in 2014 may claim credit on the 2014 tax return – if these jobs are then maintained for the next four years the business may claim the tax credit on each of those years tax returns as well; tax credit = \$3,500 per job
- Business must have an accepted *Opportunity Zone Certification* form to file for tax credit
- Credit is claimed by filing *Form IT-CA2012* with the Georgia Corporation Income Tax return, along with a copy of the accepted Opportunity Zone Certification
- Credit may be applied against 100% of any corporate income tax liability on the Georgia Income Tax Return (credit may not be applied to net worth tax liability)
- Excess credit may be applied against withholding
- Business has 10 years from the year the jobs are created to utilize the tax credit against income taxes or withholding, depending upon how the credit is initially filed and claimed

Withholding Tax Credits

- Job Tax Credit claimed against withholding (WH) is limited to \$3,500 per eligible job
- Credit must first be applied to any corporate income tax liability prior to claiming WH
- Carry forward credits against income taxes may not be later applied to withholding
- Withholding may not be claimed on an amended tax return
- No refund is paid on withholding credits; withholding credit is applied against future remittances until the credit is utilized or expires

Claiming Withholding Credit

- Business must file *Form IT-WH* with the Department of Revenue (DOR) at least 30 days prior to the filing of the original tax return in which the credit will be filed and claimed
- Business files Georgia corporation income tax return, along with *Form IT-CA*, by the due date, or extended due date
- DOR has 120 days to review the job tax credit once the return is filed
- Business will receive notification from DOR of approved credit and when to claim against WH
- Business will then apply credit to WH returns until fully utilized
- Withholding credit has no affect on employees
- Flow-through entities may elect to claim a specific portion of the credit against the entity's payroll withholding and flow the remaining credit through to shareholders, partners, or members. This is an annual election dependent upon the filing of *Form IT-WH*.

Form IT-CA and *Form IT-WH* may be obtained from the Department of Revenue web site at: http://dor.georgia.gov/documents/forms?field_form_type_tid=2871

Opportunity Zone web site: <http://www.dca.ga.gov/oz>

Contact for Job Tax Credit: Dawn Sturbaum: (404) 679-1585 or dawn.sturbaum@dca.ga.gov