



NEW JERSEY

Tax Credit Programs

Manufacturing Equipment and Employment Tax Credit Program

If You Are:

A manufacturing company in New Jersey.

You May Be Eligible For:

Tax credits for the purchase of equipment and the hiring of new employees.

In The Amount Of:

Manufacturing Equipment Investment Tax Credit: Up to 2% of the equipment investment up to a maximum allowed credit of \$1 million.

- This limit increases to 4% of the equipment investment for manufacturers with 50 or less employees and a net income of less than \$5 million.

Manufacturing Employment Investment Tax Credit: Corporations who qualify for the Manufacturing Equipment Investment Tax Credit are automatically eligible for the accompanying two-year Employment Investment Tax Credit. This credit is limited to 3% of the equipment investment, not to exceed \$1,000 per new employee added during each of the two years following the equipment investment.

To Be Used For:

Equipment purchases and hiring new employees.

Benefits:

The tax credit is available for three years: the tax credit computation for the first year is based on the cost of the qualified manufacturing equipment placed in service in New Jersey during that tax year. The computations for the two following tax years are based on the average increase in New Jersey residents employed in New Jersey subject to a limitation based on the cost of the investment made in the first year.

Program Details:

Unused tax credits in any year may be carried forward for up to seven years.

For more information on the Manufacturing Equipment and Employment Tax Credit, visit www.state.nj.us/njbusiness/financing/tax/manufacuring.shtml#1.



THE STATE OF NEW JERSEY
www.NewJerseyBusiness.gov • 866-534-7789

The company we keep,
keeps getting better.