



NEW JERSEY

Tax Credit Programs

New Jobs Investment Tax Credit

If You Are:

A business investing in a new or expanded facility and creating new jobs in New Jersey.

You May Be Eligible For:

A tax credit based on the number of new jobs created.

In The Amount Of:

Varies according to number of new jobs created.

To Be Used For:

Hiring new employees.

Benefits:

The New Jobs Investment Tax Credit encourages businesses to utilize a new or expanded facility and create new jobs.

Program Details:

- The investment must create at least five new jobs (50 for large businesses), and meet the median annual compensation requirement for the current tax year.
- A small or mid-sized business taxpayer must also meet the annual payroll and annual gross receipts requirements for the current tax year to qualify.
- A new employee means a New Jersey resident, hired to fill a regular, permanent position in this state, which did not exist prior to the qualified investment, and would not exist but for the qualified investment.
- The employee must be unrelated to the taxpayer and must not have been employed by the taxpayer during the six months prior to the date the investment was placed in service or use.
- Individuals counted in determining the New Jobs Factor must not be ones for whom the taxpayer is allowed an Urban Enterprise Zone or Urban Development Project Employees Tax Credit.
- The taxpayer cannot claim a credit for a number of new employees that exceeds either the increase in the taxpayer's average employment for the tax year, or one-half the taxpayer's average employment for the year.



THE STATE OF NEW JERSEY

www.NewJerseyBusiness.gov • 866-534-7789

continued

New Jobs Investment Tax Credit

- Unused credits cannot be carried forward past the five-year credit period.
- New investment is not eligible for the credit unless the average value of all real and tangible personal property in this state has increased over the prior year.
- The facilities must have been purchased from an unrelated party during or after the taxpayer's accounting period beginning on or after July 7, 1993, the effective date of this legislation.
- The employee must be employed by the taxpayer in a taxable activity and must not have been in use during the 90 day period prior to purchase.
- Investments which qualify for the Manufacturing Equipment and Employment Investment Tax Credit cannot also qualify for this credit.

For more information on the New Jobs Investment Tax Credit, visit

www.state.nj.us/njbusiness/financing/tax/workforce.shtml#4.



THE STATE OF NEW JERSEY

www.NewJerseyBusiness.gov • 866-534-7789

The company we keep,
keeps getting better.