



NEW JERSEY

Tax Credit Programs

Urban Transit Hub Tax Credit Program

If You Are:

A developer, owner, or tenant making a qualified capital investment within a designated Urban Transit Hub.

You Can Apply For:

Tax credits equal up to 100% of the qualified capital investments made within an eight year period. Taxpayers may apply 10% of the total credit amount per year over a ten year period against their corporate business tax, insurance premiums tax or gross income tax liability. Tax credits held for one year or longer may be sold under the tax credit certificate transfer program of not less than 75% of the transferred credit amount. Total credits approved under this program are capped at \$1.5 billion, with \$150 million allocated towards residential projects which may receive a 20% credit.

Eligibility:

Developers, owners and tenants can qualify for the Urban Transit Hub Tax Credit Program if they meet the following eligibility criteria:

- Developers or owners must make a minimum \$50 million capital investment in a single business facility located in one of the nine designated Urban Transit Hubs. In addition, at least 250 employees must work full-time at that facility.
- Tenants must occupy space in a qualified business facility that represents at least \$17.5 million of the capital investment in the facility and employ at least 250 full-time employees in that facility. Up to three tenants may aggregate to meet the 250 employee requirement.
- Mixed-use components are part of the “qualified residential project” definition.
- Applicants must demonstrate at the time of application that the state’s financial support of the proposed capital investment in a qualified business facility will yield a net positive benefit to both the state and the eligible municipality.
- S corporations, limited liability corporations and partnerships are eligible; however, tax credits cannot be applied against an individual’s New Jersey gross tax liability.

Program Details:

This powerful financial tool is designed to spur private capital investment, business development and employment by providing tax credits for businesses planning a large expansion in or relocation to designated transit hubs within nine New Jersey urban municipalities.



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continued

Urban Transit Hub Tax Credit Program

Urban Transit Hubs are located within one-half mile of New Jersey Transit, PATH, PATCO, or Light Rail stations in:

Camden (expanded to one mile)	Hoboken	New Brunswick
East Orange	Jersey City	Paterson
Elizabeth	Newark	Trenton

Eligibility is expanded to locations within these municipalities that have active freight adjacent or connected to the proposed building, and utilized by the occupant.

Businesses may apply for the tax credits within five years of the program's January 13, 2008 effective date and satisfy the capital investment and employment conditions within eight years of that date.

Please note the tax credits may be reduced or forfeited if facility or employment levels are not maintained.

Complementary Programs:

Portions of designated Urban Transit Hubs, with the exception of Hoboken, offer additional incentives through the Urban Enterprise Zone Program to qualifying businesses. These include tax credits for certain new hires, sales tax exemptions for eligible purchases, energy sales tax exemption for eligible manufacturers, and provides for reduced retail sales tax rates on most purchases.

In addition, the EDA has a financing program that offers low-cost loans for up to \$3 million. Called Urban Plus, this loan program is available for redevelopment projects in Camden, East Orange, Elizabeth, Jersey City, Newark, New Brunswick, Paterson and Trenton.

Please note that the Business Retention & Relocation Assistance Grant (BRRAG) or InvestNJ may not be used in conjunction with the Urban Transit Hub Tax Credit Program, and there may be limitations on the use of the Business Employment Incentive Program (BEIP) at the project site.

Fees:*

- Application fee: \$5,000 if the applicant is the owner or developer of the qualified business facility; \$2,500 if the applicant is a tenant in the qualified business facility

Division of Taxation Tax Clearance Certificate Application Processing Fee: \$75 for standard processing; \$200 for expedited processing (response within three business days).

For more information on the Urban Transit Hub Tax Credit Program, visit www.njeda.com.

*All fees are non-refundable.



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keeps getting better.