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# Location, Location, Location

## Financing Deals in the Current Economic Climate



*Are you considering expanding or consolidating your business? A myriad of economic development incentives are available across the country.*

Matching your organization's needs and goals with the types of incentives being offered makes good business sense. Evaluating the benefits of different incentives early in the site location process can be a major driver in choosing one state over another as the site of choice.

### TYPES OF INCENTIVES

- Real and/or personal property tax abatements or rebates
- Sales tax exemptions
- Inventory tax/freeport exemptions
  - Where property tax is assessed on inventory
- Corporate income tax credits for job creation and/or capital investment
  - Some states refund excess beyond tax liability—others allow a carryforward
  - Value may be a return of the withholding tax paid, or a set dollar amount per job created
- Infrastructure grants
- Discretionary grant funding
- Specialized industry incentives
  - Alternative energy
  - Aerospace
  - Advanced manufacturing
- Renaissance/Enterprise/Urban revitalization zones
  - Designated areas with special benefits, generally due to economic distress of the area
- Job training grants or reimbursements



### STATES INCENTIVES

Different states target specific industries and sub-sectors within those industries. For example, Michigan focuses on growth industries where the state can leverage its strengths in research, engineering, and manufacturing. Primary areas are alternative energy (particularly advanced battery manufacturing), life sciences, homeland security and defense, and advanced manufacturing. Michigan also has a generous film incentive package.

Florida's target industries include manufacturing, corporate headquarters, professional services, research and development, information technology, financial services, multi-state/multi-national distribution, and business services. Special incentives are provided for aerospace and solar related renewable energy companies that meet certain criteria as well.

Iowa pursues advanced manufacturing, biosciences, information solutions/financial services, and renewable energy (wind and cellulosic biofuels).

Other states offer similar incentives for job creation, capital investment, or specific industries. Our economic development team works with clients around the country to identify opportunities and maximize rewards. Call us if you'd like to know more.

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