



LAMBRA BUSINESS INCENTIVES

LAMBRA: Local Agency Military Base Recovery Area (LAMBRA) companies are eligible for substantial State tax credits and benefits including:

- Hiring Tax Credits - Firms can earn \$31,544 or more in State tax credits for each qualified employee hired up to \$2 million per year with a few provisions.
- Sales and Use Tax Credit - companies may receive a sales tax and use tax credit for manufacturing or processing machinery, data processing and communications equipment to be used in the LAMBRA. Individuals can claim a credit on the first \$1,000,000 of qualifying purchases, while corporations can claim a credit on the first \$20,000,000 per year.
- Business Expense Deduction - Up front expensing of certain depreciable property up to \$40,000 annually.
- Net Operating Loss Carryover - Up to 100% of the NOL may be carried forward for 15 years.
- Net Interest Deduction - Lenders to Zone business may receive a new interest deduction.
- Unused tax credits can be applied to future tax years stretching out the benefit of the initial investment.

Other Benefits:

- Market Rent Rate eligible for discount based on employment goals
- Common Area Maintenance Fees are negotiable.
- 1-3 months front end rental reduction based on tenant improvements.
- Foreign Trade Zone designation available.
- Worknet Business Services provides up to date labor market and wage information, employment recruitment and screening services, job training services, and LAMBRA employee vouchering.
- USDA and CDBG Business assistance grant opportunities available to qualifying businesses.
- Fiber Optic Telecommunications Ring – connection fees apply.
- Area is planned for rapid growth with compatible business groupings.