

HBI **HOOSIER BUSINESS INVESTMENT** **TAX CREDIT**

DESCRIPTION

The Hoosier Business Investment (HBI) Tax Credit provides an incentive to businesses to support job creation, capital investment and to improve the standard of living for Indiana residents. The nonrefundable corporate income tax credits are calculated as a percentage of the eligible capital investment to support the project. The credit may be certified annually, based on the phase-in of eligible capital investment, over a period of two full calendar years from the commencement of the project.

ELIGIBILITY

To be eligible for the tax credit:

- Project will result in net new jobs that were not previously performed by employees of the applicant
- Project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana
- Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not creating new jobs in Indiana
- Political subdivisions/municipalities affected by the project have offered significant incentives to the business

Eligible capital investment includes new machinery, modern manufacturing and building costs associated with the project as outlined by Indiana Code 6-3.1-26-8.

EVALUATION CRITERIA

Each project will be evaluated on its individual merits and with a cost-benefit analysis after it has met the basic requirements as follows:

- Business commits to new capital investment in Indiana
- Business commits to the creation of full-time, permanent jobs for Indiana residents at the project location
- Project supports the purpose of the tax credit, and meets all requirements as set forth in Indiana Code 6-3.1-26

REPORTING REQUIREMENTS

Upon execution of an HBI tax credit contract with IEDC, the business will be required to report for every calendar year during the term of the contract for a period of 10 years.

Information Required:

- Summary statistics relating to capital investment that occurred in the applicable year
- Individual employee data to support contractual employment and wage thresholds
- Detailed line-item report of eligible investment costs by invoice