



Opportunity Zone Job Tax Credit Fact Sheet

- ❖ Opportunity Zones are approved by the Georgia Department of Community Affairs (DCA) Commissioner.
- ❖ They are part of the Georgia Job Tax Credit Program under O.C.G.A. 48- 7-40.1(c)(4).
- ❖ Approved on May 3, 2010, the Roswell Opportunity Zone is in existence for ten years. The zone will expire May 3, 2020.
- ❖ The business owner or Officer must complete an *Opportunity Zone Certification* form and forward it to the Roswell Opportunity Zone Coordinator (see the link in this Roswell Opportunity Zone section).
- ❖ Business can be any business of any nature; not bound by “business enterprise” definition.
- ❖ Business must create at least two (2) net new jobs within a tax year and the new jobs must be full-time permanent jobs of at least 35 hours per week. (Note: the two jobs may not be filled by a married couple)
- ❖ New jobs must be offered health insurance upon employment; the employer does not have to pay for such insurance, just offer it.
- ❖ The average wage of the new jobs created must pay above the average wage of the county with the lowest average wage in the state - as of June 2012 this is Echols County at \$446 per week, or \$23,193 per year, per DOL (Georgia Employment & Wages - 2011 Averages).
- ❖ Jobs threshold must be created within a single tax year and tax credit may first be claimed on the initial year tax return. For example, eligible new jobs created in 2012 may claim credit on the 2012 tax return - if these jobs are then maintained for the next four years the business may claim the tax credit on each of those years’ tax returns as well.
- ❖ Business must have an accepted *Opportunity Zone Certification* form to file for a tax credit.
- ❖ Credit is claimed by filing *Form IT-CA (2009)* with the Georgia Corporation Income Tax return, together with a copy of the accepted *Opportunity Zone Certification*.
- ❖ Credit may be applied against 100% of any corporate income tax liability on the Georgia Income Tax Return (credit may not be applied to net worth tax liability).
- ❖ Excess credit may be applied against withholding tax.
- ❖ **Withholding (WH) Tax Credits**
- ❖ Job Tax Credit claimed against WH limited to \$3,500 per eligible job.
- ❖ Credit must first be applied to any corporate income tax liability prior to claiming WH.
- ❖ Carry forward credits may not be applied to WH.

- ❖ Withholding may not be claimed on an amended tax return.
- ❖ No refund is paid on withholding credits.

- ❖ **Claiming Withholding (WH) Credit**
- ❖ Business must file *Form IT-WH* with the Department of Revenue (DOR) at least 30 days prior to the filing of the original tax return in which the credit will be filed and claimed.
- ❖ Business files Georgia Corporation Income Tax return, along with *Form IT-CA (2009)*, by the due date, or extended due date.
- ❖ DOR has 90 days to review the job tax credit once the return is filed. Business will receive notification from DOR of approved credit and when to claim against WH.
- ❖ Business will then apply credit to WH returns until fully utilized.
- ❖ Withholding credit has no affect on employees.
- ❖ Flow-through entities may elect to claim a specific portion of the credit against the entity's payroll withholding and flow the remaining credit through to shareholders, partners, or members. This is an annual election dependent upon the filing of *Form IT-WH*.

- ❖ *Form IT-CA (2009)* and *Form IT-WH* (fill in online and print) may be obtained from the Roswell web site (see the link in this Roswell Opportunity Zone section), or the Dept. of Revenue web site at: <https://etax.dor.ga.gov/inctax/taxcredits.aspx>

- ❖ **Contact Information**
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