



**KIOWA COUNTY
BUSINESS PERSONAL PROPERTY TAX INCENTIVE PROGRAM
FOR PRIMARY JOB CREATION**

(Effective 09/29/2015)

Businesses pay County business personal property tax (BPPT) on equipment used to conduct business; for example, large machinery, computer equipment, desks, and furniture – anything that is not permanently affixed to the real property. Primary employers may qualify for an incentive based upon the County’s portion of BPPT paid. This incentive is 50% of the County’s portion of BPPT paid and can have duration from 6 to 10 years, depending upon the number of new jobs created.

Under the County’s Business Personal Property Tax Incentive program (BPPTI), a primary employer creating a minimum of 1 new job can apply. The incentive may increase in duration as additional newly created jobs are created as follows:

<u>New Jobs</u>	<u>Length of Incentive</u>
1 - 4	5 years
5 - 10	6 years
11 - 15	7 years
16 - 20	8 years
21 - 25	9 years
26 -up	10 years

A qualifying business that continues to add new employees can reapply to possibly increase the length of the incentive. However, a decrease in employees could cause a reduction in the length of the incentive or possible loss of benefit. Seasonal employees cannot account for new job creation. New employees must be Kiowa County Residents.

Program Eligibility:

This program is available to primary employer companies qualifying as a New Business Facility. A primary employer is a business entity that employs at least 1 permanent full – time employee who resides in Kiowa County.

A New Business Facility can be qualified as any of the following:

*** New Colorado Business – A newly acquired, constructed or leased facility used to operate a revenue producing enterprise after the Kiowa County Enterprise Zone (EZ) was established in 1989.**

*** Business Expansion – An existing business expansion may qualify if at some point in their operations it can be certified that:**

- at least 1 new permanent full-time job is added

*** Qualified Replacement Facility – A replacement business facility located in an EZ qualifies if at some point in their operations it can be certified that:**

- the taxpayer's investment exceeds \$3 million or, if less;
- 300% of the investment in the old facility

A replacement facility is a facility located in an EZ that replaces an old facility located in Colorado but only if the taxpayer operated the old facility for more than three full tax years of the five tax years immediately preceding the opening of the new facility. Generally, replacement business facilities do not qualify. The exception is a "qualified replacement facility." Changes of ownership and/or business acquisition generally do not qualify as a NBF.

The program provides an incentive payment of the business personal property taxes paid, based on the amount of newly created primary jobs. Businesses must hire at least 1 employee to qualify for the program.

Incentive Calculation:

Incentives are calculated and issued as follows:

- 50% of the businesses BPPT will be discounted based on the County's collectible portion of the tax that remains with the County and is not to include any taxes going to special districts.
- The length of the incentive will be determined by the number of new, primary jobs created as shown above.

Applying for an Incentive:

The company must provide:

- Appropriate BPPTI application
 - Including Employee/Wage Information (Annual)
- Proof of previous taxes paid
- Complete list of all employees (Annual, Excel preferred)
- Any unexpected change in employment or business model on an as needed basis

- A company applying after July 1 of the current year will be eligible for the incentive the following year.

Issuing the Incentive:

The BPPTI will be credited (in arrears) towards the next year's BPPT. To receive the incentive the qualifying/approved company must provide:

- Proof of current BPPT paid
- Employee/Wage information form
- Complete list of all employees (Annual, Excel preferred)

After review of the documents the company will receive its benefit. The County reserves the right to verify any information concerning current or newly created jobs on an as needed basis.

For more information contact Tina Adamson, Kiowa County Administrator, at 719.438.5810. or Jan Richards, Kiowa County Economic Development Coordinator, at 719.438.2200.