

Establishment of Technology Zones

A technology zone can be a valuable tool for the encouragement of new and expanding technology businesses in a locality. Virginia's cities, counties, and towns have the ability to establish, by ordinance, one or more technology zones to attract growth in targeted industries.

Establishment of a technology zone allows localities to create special incentives for qualified businesses locating or expanding operations in a zone. These incentives may include; a reduction of user and permit fees, local tax incentives, special zoning treatment, exemption from local ordinances or other incentives adopted by ordinance.

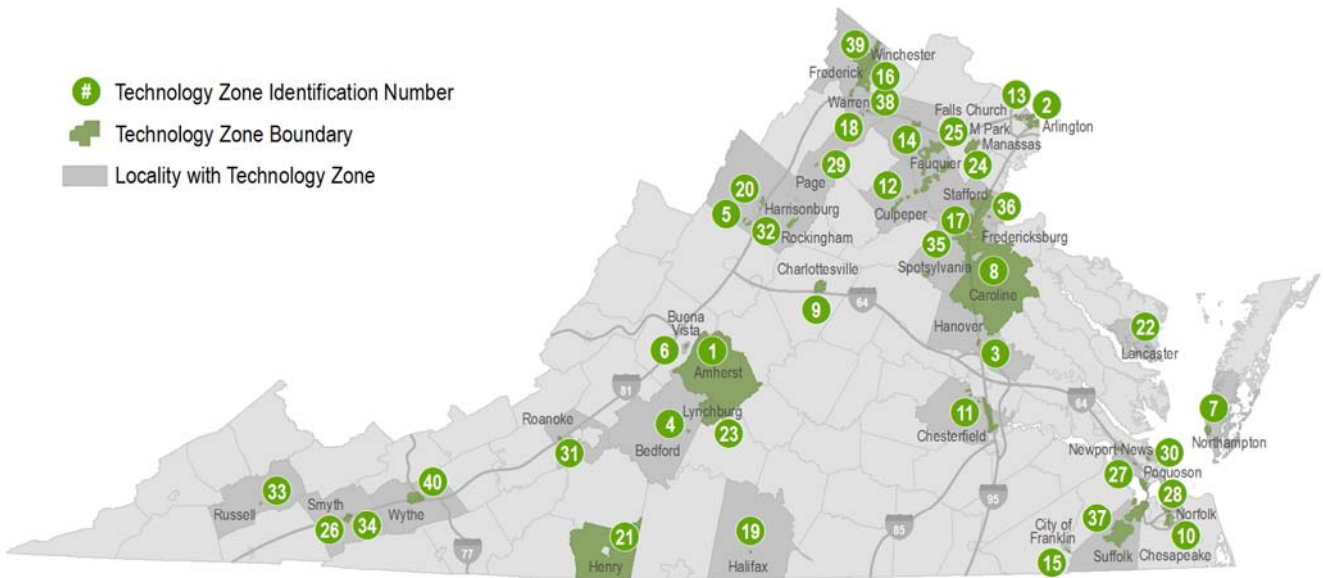
Once a local technology zone has been established, incentives may be provided for up to ten years. Each locality designs and administers its own program. The establishment of a technology zone shall not preclude the area from also being designated as an enterprise zone.

Localities that have established technology zones include the counties of **Amherst, Arlington, Bedford, Caroline, Chesterfield, Culpeper, Fauquier, Frederick, Halifax, Henry, Page, Roanoke, Rockingham, Russell, Smyth, Spotsylvania, Stafford and Warren**; the cities of **Buena Vista, Charlottesville, Chesapeake, Falls Church, Franklin, Fredericksburg, Harrisonburg, Lynchburg, Manassas, Manassas Park, Newport News, Norfolk, Poquoson, Suffolk and Winchester**; and the towns of **Ashland** in Hanover County, **Bridgewater** in Rockingham County; **Cape Charles** in Northampton County, **Front Royal** in Warren County, **Kilmarnock** in Lancaster County, **Marion** in Smyth County and **Wytheville** in Wythe County.

If your locality has established a technology zone and it does not appear in the list above, please contact us so that you may be included in our marketing literature. You may contact Michelle Mende at (804) 545-5785 or at mmende@yesvirginia.org. We would like a copy of the ordinance establishing the zone for our records, as well as an aerial or map showing the technology zone boundaries.

Virginia Code provisions governing Technology Zones can be found in section 58.1-3850.

- # Technology Zone Identification Number
- Technology Zone Boundary
- Locality with Technology Zone



Source: Virginia Economic Development Partnership 2017, Esri 2015

- | | | |
|------------------------|------------------------|-----------------------|
| 1 Amherst | 14 Fauquier | 28 Norfolk |
| 2 Arlington | 15 City of Franklin | 29 Page |
| 3 Town of Ashland | 16 Frederick | 30 Poquoson |
| 4 Bedford | 17 Fredericksburg | 31 Roanoke County |
| 5 Town of Bridgewater | 18 Town of Front Royal | 32 Rockingham |
| 6 Buena Vista | 19 Halifax | 33 Russell |
| 7 Town of Cape Charles | 20 Harrisonburg | 34 Smyth |
| 8 Caroline | 21 Henry | 35 Spotsylvania |
| 9 Charlottesville | 22 Town of Kilmarnock | 36 Stafford |
| 10 Chesapeake | 23 Lynchburg | 37 Suffolk |
| 11 Chesterfield | 24 Manassas | 38 Warren |
| 12 Town of Culpeper | 25 Manassas Park | 39 Winchester |
| 13 Falls Church | 26 Town of Marion | 40 Town of Wytheville |
| | 27 Newport News | |

TECHNOLOGY ZONE INCENTIVES AMHERST COUNTY, VIRGINIA

Business Type:

A new or existing business which (i) derives more than 50 percent of its revenue either from sales outside the County or from direct support of businesses deriving more than 50 percent of their revenue from sales outside the County, and (ii) either produces a technology-based product or service, or employs a significant level of technology in its operations.

Business Qualification:

In order to be eligible for an award of tax incentives, qualifying entities must make an initial new taxable investment in taxable real property and improvements, taxable machinery and equipment, or taxable business personal property totaling \$250,000 for existing businesses and \$500,000 for new businesses.

Area:

Entire county.

Incentives:

Reimbursement up to 5% of the initial new taxable investment generated by a qualified business locating in the Amelon Commerce Center and up to 4% for a qualified business locating elsewhere. Eligible reimbursements are real estate, machinery and equipment, business personal property, or gross receipts taxes for a period of up to 10 years.

TECHNOLOGY ZONE INCENTIVES ARLINGTON, VIRGINIA

- Business Type:** Primary function in the creation, design and/or research and development of technology hardware or software
- Business Qualification:** Have moved to Arlington within the last 18 months or be an existing Arlington company that has increased its employee base by 25% or more within the past 12 months (as reported to Virginia Employment Commission)
- Area:**
- Rosslyn- Ballston Corridor
 - Jefferson Davis Corridor, including Crystal City and Pentagon City
 - Columbia Pike
 - Shirlington
 - Properties located within commercial/mixed use (c) districts and industrial (m) districts

Incentives:

50% reduction in the rate for Business, Professional, Occupational License (BPOL) tax. Qualified technology companies are eligible to receive the benefit for up to 10 years; and the offset rate decreases as the number of employee increases.

TECHNOLOGY ZONE INCENTIVES

ASHLAND, VIRGINIA

Business Type:

A business, which derives its gross receipts from the design, development, manufacture or other creation, for lease, sale or license of technology based products, processes or related services. Technology based products, processes or related services are defined as engaging in the activity of automation, biotechnology, biomedical research, electronics, computer hardware, computer software, defense, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, internet services, transportation, architecture and engineering or similar activities. In no case shall the use of computers or telecommunications services by a business in its internal operations qualify the business as a technology business unless the business can demonstrate that over 50% of its gross receipts are derived from broadband internet sales.

Business Qualification:

Existing businesses must increase the number of full-time employees in the technology zone by at least two (2) net new, full-time employees over the base year. The business must also demonstrate a new net capitalized investment of at least \$100,000.00.

New businesses must create a minimum of five (5) full-time jobs and make a capital investment of at least \$500,000.00.

Existing and New Businesses:

- The added capital investment shall be established by the value of personal property, machinery & tools, and/or real estate and/or improvements to such, either owned or leased for the operation of the qualified technology

TECHNOLOGY ZONE INCENTIVES

ASHLAND, VIRGINIA

business. Such assets owned or leased by a business firm which are moved into a technology zone from another location within the town shall not be included in the determination of the added capital investment.

- Wages paid to the minimum threshold number of full-time employees needed to qualify must be equal to twice the federal minimum qualifying wage rate. For example, in 2009 the federal minimum wage according to the Virginia Employment Commission is \$7.25. Therefore, the current threshold would be a minimum of \$14.50.
- The added full-time employment and investment thresholds must be met once to become a qualifying technology business and these thresholds maintained through year 5 in order to receive incentives each year.

Area: Designated zone areas.

Incentives:

Existing Businesses

Rebate of the business personal property tax, machinery & tools tax, BPOL tax and Real Property tax equaling 100 % of the amounts due for years 1, 2 and 3, and 50% of the amounts due for years 4 and 5.

New Businesses

Receive all of the benefits of existing businesses enumerated above, as well as rebated fees for development plan approved including site plan, zoning, and subdivision fees for two years which will be considered the development stage of the business.

TECHNOLOGY ZONE INCENTIVES

BEDFORD COUNTY, VIRGINIA

Business Type:

A qualified technology business is one engaged in the activities of research, development, or manufacture of commodities used in biotechnology, computer hardware or software, electronics, telecommunications, systems integration, testing and measurements, e-commerce, factory automation, internet services, subassemblies and components, medical and pharmaceutical products, photonics, advanced materials, architecture and engineering, defense, energy, and transportation.

Business Qualification:

Tier No. 1 - \$500,000 capital investment and 25 jobs
Category A – payroll in excess of \$15/hr or \$35,000/year average
Category B - payroll lower than above
Tier No. 2 - \$50,000 capital investment and 5 jobs
Category A – payroll in excess of \$15/hr or \$35,000/year average
Category B – payroll less than above
Tier No. 3 - \$25,000 capital investment and 3 jobs

Note: The EDA has flexibility to lower threshold job levels when the offset is of benefit to the county.

Area:

New London Business & Technology Park.

Incentives:

Technology zone incentives may be offered as a one-time up front contribution towards the development costs associated with a project, or may be provided as a reimbursement or rebate, depending upon the nature and scope of the development. A qualified technology company may be eligible to receive one or all of the following:

- ❖ A discount, based upon the level of employment and investment generated by the business, of up to one hundred (100) percent of the following:
 - Purchase price of the land within the technology zone, where applicable;
 - Cost of water connection fees;
 - Cost of sanitary sewer connection fees.
- ❖ A discount on fees associated with new construction, including but not limited to building permit, plan review, and land disturbance fees, of up to one hundred (100) percent based upon and in accordance with the scope of the project.

TECHNOLOGY ZONE INCENTIVES

BEDFORD COUNTY, VIRGINIA

- ❖ A site preparation and/or infrastructure improvement grant, based upon the nature and scope of the project.
- A one-time local job training grant for up to five hundred dollars (\$500.00) per employee, for a qualified technology business which is ineligible for the Virginia Workforce Services training grant program; the grant is provided only for new, full-time permanent positions created within the technology zone.
- Rebate of a portion of machinery and tools tax or business furniture and fixtures personal property tax (whichever is applicable) as follows:
 - 60% to 70% for the first 2 years
 - 40% to 50% for the next 2 years
 - 20% to 30% for the final year (or 2 years, if applicable)

All business firms shall be eligible for building permit fees rebate and public service authority fee rebate.

TECHNOLOGY ZONE INCENTIVES

BRIDGEWATER, VIRGINIA

Business Type: Qualified “technology” businesses.

Business Qualification: Business use of “technological significance.”

Area: Designated zone areas.

Incentives:

Reduction or elimination of some or all of the off-street parking requirements imposed by the town code.

Allowance of commercial uses despite their not being listed as permitted by the town code.

Adjustment of dimensional requirements for lots (such as depth, front yards, side yards and rear yards) and size requirements for buildings (such as building height or maximum lot coverage).

Elimination of any processes required for the consolidation of lots or the relocation of lot boundaries.

TECHNOLOGY ZONE INCENTIVES

BUENA VISTA, VIRGINIA

Business Type:

Design, development, manufacture or other creation, for lease, sale or license of technology based products, processes or related services. Technology based products, processes or related services are defined as engaging in the activity of automation, biotechnology, biomedical research, electronics, computer hardware, computer software, defense, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, internet services, transportation, architecture and engineering or similar activities.

Business Qualifications:

Downtown Technology Zone:

- The existing business must increase the average number of fulltime employees in the technology zone by at least three (3) net new, full-time employees over the base year. The business must also demonstrate a new net capitalized investment of at least \$15,000.
- The new business must create a minimum average of three (3) full-time jobs and make a capital investment of at least \$20,000.

Industrial Districts Technology Zone:

- The existing business must increase the average number of fulltime employees in the technology zone by ten (10) percent over the base year. The business must also demonstrate a new net capitalized investment of at least \$150,000.
- The new business must create a minimum of twenty-five (25) full-time jobs and make a capital investment of at least \$150,000.

TECHNOLOGY ZONE INCENTIVES

BUENA VISTA, VIRGINIA

1. For both technology zones, the added capital investment shall be established by the value of personal property, machinery & tools, and/or real estate owned for the operation of the qualified technology business. Such assets owned by a business firm which are moved into a technology zone from another location within the city shall not be included in the determination of the added capital investment.
2. Wages paid to the minimum threshold number of full-time employees needed to qualify must be equal to twice the federal minimum qualifying wage rate.
3. To retain qualifying status, a business firm must maintain the minimum qualifying employment and investment levels for each year for which incentives are requested.
4. The added full-time employment and investment thresholds must be met once to become a qualifying technology business and these thresholds maintained through year 5 in order to receive incentives each year.

Area:

The Downtown Zone includes designated areas in downtown. The Industrial Zone includes all areas currently zoned Industrial.

TECHNOLOGY ZONE INCENTIVES

BUENA VISTA, VIRGINIA

Incentives:

- ❖ Existing businesses, upon certification as a qualified technology business, shall:
 - receive a rebate of a percentage of the utility tax on local telephone usage, electric usage and cable television.
 - be exempted from a percentage of the business, machinery & tools, professional, and other occupational license taxes and fees. They shall also have a percentage of business personal property rebated.
 - The amount of each type of tax rebate or exemption above shall be a percentage of that tax paid or due by the qualified technology business each year. The percentage rebated or exempted each year after the base year shall be determined by the following schedule:

Year 1	50%
Year 2	50%
Year 3	50%
Year 4	50%
Year 5	50%

- ❖ Existing businesses in the Industrial Districts Technology Zone also qualify for capital investment grants. These grants will be based solely on the net increase in capital investment made within the technology zone. The five-year capital investment grant will be calculated on the qualifying increase, net of any dispositions, in business personal property, real estate, and machinery and tool taxes paid by a qualified technology business. The grant will be equal to eighty (80) percent of fractional net increase in year one, sixty (60) percent in year two, forty (40) percent in year three, twenty (20) percent in year four, and twenty (20) percent in year five.

- ❖ New businesses upon certification as a qualified technology business shall receive all of the benefits of existing businesses enumerated above, as well as the following for five (5) years:
 - rebated sewer and water connection fees.
 - rebated fees for development plan approved including site plan, zoning, subdivision, sign and building permit fees.

TECHNOLOGY ZONE INCENTIVES

CAPE CHARLES, VIRGINIA

Business Type: Qualified non-manufacturing applied technology or technology manufacturing businesses.

Business Qualification: Manufacturing:

- Create and maintain a minimum of 5 new full time jobs which are each compensated at one and one half times the wage rate of the currently-defined federal minimum wage.
- Make a new verified capital investment of no less than \$250,000.00 in a building, building improvements, and/or in machinery and tools.

Non-Manufacturing:

- Create and maintain a minimum of 3 new full time jobs which are each compensated at one and one half times the wage rate of the currently-defined federal minimum wage.
- Make a new verified capital investment of no less than \$100,000.00 in a building, building improvements, and/or in machinery and tools.

Area: Within the town limits.

TECHNOLOGY ZONE INCENTIVES

CAPE CHARLES, VIRGINIA

Incentives:

Manufacturing:

- ❖ A grant equal to 25% of the new or increased machinery and tools tax paid to the Town with a verified capital investment of \$250,000 that shall increase proportionately up to 100% with a capital investment of \$1,000,000 or more.
- ❖ A grant of up to 100% of the amount of the net increase in Real Estate Tax paid to the Town.
- ❖ A grant of up to 100% of the amount of BPOL Tax paid to the Town.
- ❖ For a Qualified Technology Manufacturing Business that maintains at least 25 full time jobs, a grant of up to 50% of the Facility and Connection fees paid to the Town.
- ❖ A grant of up to 100% of the Building Permit fee paid to the Town.

Non-Manufacturing:

- ❖ A grant equal to 25% of the new or increased machinery and tools tax paid to the Town with a verified capital investment of \$100,000.00 that shall increase proportionately up to 100% with a capital investment of \$1,000,000.00 or more.
- ❖ A grant of up to 100% of the amount of the net increase in real estate tax paid to the Town.
- ❖ A grant of up to 100% of the amount of BPOL tax paid to the Town.
- ❖ For a Qualified Non-manufacturing Applied Technology Business that maintains at least 15 full time jobs, a grant of up to 50% of the Facility and Connection fees paid to the Town.
- ❖ A grant of up to 100% of the Building Permit fee paid to the Town.

TECHNOLOGY ZONE INCENTIVES

CAROLINE COUNTY, VIRGINIA

Business Type:

A qualified technology business is one whose primary purpose is the design research, development or production of technology services, software or products.

Business Qualification:

- Capital investment of a minimum of \$1,000,000
- Five full time jobs with salaries 10% above the County average as determined by the County or its designee, per job category
- The business must commit to maintaining their firm's investment in the County for five years
- Additional incentives are available to qualified technology businesses that locate their corporate headquarters in the technology zone.

Area:

Entire county.

Incentives:

- ❖ BPOL Tax Waiver
 - Year 1 100%
 - Years 2-10 75%

In the case where a corporate headquarters is located in the technology zone, rebates may be applicable up to 100% rebate for all years where both manufacturing and office functions are present and job creation exceeds 200 positions that pay 10% above the current County average wage.

TECHNOLOGY ZONE INCENTIVES

CHARLOTTESVILLE, VIRGINIA

Business Type:

- Engaged in design, development, creation, for lease, sale or license of computer software, hardware, systems or of biotechnology, pharmaceutical or medical technologies, immunology and analytical biochemistry services, telecommunications or electronics
- Internet service providers
- Receivers, principals or prime contractors of identifiable federal appropriations for research and development defined in Federal Acquisition Regulations, in the areas of computer and electronic systems, computer software, applied sciences, economic, social and physical sciences.
- Is NOT operating under a certificate of public convenience issued by Virginia Corporation Commission, or engaged in the provision of a "utility service" as defined by City Code.

Area:

Within the corporate limits of Charlottesville

Incentives:

- ❖ For qualified technology businesses whose gross receipts in a year are \$50,000 or less, the business license fee is reduced 100% for 7 years..
- ❖ For qualified technology businesses whose gross receipts in a year are more than \$50,000, the business license tax is reduced 50% for 7 years.

TECHNOLOGY ZONE INCENTIVES CITY OF CHESAPEAKE, VIRGINIA

Business Type:

A business which derives a substantial portion of its gross receipts from technological research and design services or from the sale, leasing, licensing or servicing of technological products, such as computers, hardware, software, telecommunication devices, electronic information devices, and video/audio electronic products. The term shall also mean a business located in the technology zone which uses advanced and innovative technological devices to conduct design, manufacture, sales, leasing and service businesses, provided that such business has invested at least 50 percent of its total capital outlay in the lease or purchase of technological products to be located in the technology zone, and further provided that such products are used in the technology zone for purposes other than internal administrative operations.

Business Qualification:

Employs a minimum of five (5) employees with average wages equal to or greater than two and one-half times the federal minimum wage as calculated without assignment of value to benefits.

Invests at least two hundred thousand dollars (\$200,000.00) in real estate, improvements and equipment located in the technology zone.

Area:

South Norfolk Borough

Incentives:

- ❖ Exemption from building code fees for 10 years.
- ❖ Exemption from zoning fees, including fees for land use applications, building permits and other fees for 10 years.
- ❖ Exemption from fees imposed under the Subdivision Ordinance, including fees for subdivision plat and site plan review for 10 years.
- ❖ Reduction of business license taxes and fees for 5 years:
 - Year 1 – 80%
 - Year 2 – 60%
 - Year 3 – 40%
 - Year 4 – 20%
 - Year 5 – 20%

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TECHNOLOGY ZONE INCENTIVES CHESTERFIELD COUNTY, VIRGINIA

Business Type: Office, commercial or industrial businesses locating or expanding in a zone.

Business Qualification: Varies by incentive (see incentive section).

Area: Jefferson Davis, Walthall, Eastern Midlothian Turnpike, Meadowdale/Meadowbrook and Eastern Hull Street Road areas.

Incentives:

❖ BPOL

- Companies new to zone or subzone: 100% exemption
- Companies relocating to zone or subzone: Partial exemption

❖ Machinery & Tools

- New companies classified as manufacturers: Five-year, 100% rebate
- Existing companies with a qualifying plant expansion: Minimum investment of \$50,000 or an increase of 15% in assessed value from previous year, whichever is greater

❖ Utilities

- A one-time fee credit towards the capital recovery cost equivalent to a 5/8 inch meter

❖ Planning and Building

- Fee waivers for land disturbance, site plan, sign permits and building permits

TECHNOLOGY ZONE INCENTIVES

CULPEPER COUNTY, VIRGINIA

- Business Type:** Research, development, manufacturing, advanced technological services or other technology related products and services companies
- Business Qualification:** Based on four economic impact factors:
(1) number of new full-time jobs created (part time jobs will be adjusted using a full time equivalency of 40 hours per week);
(2) median annual gross wage of all employees of the qualified business (part time wages will be adjusted based on a 40 hour FTE);
(3) amount of private money spent on real estate improvements, the purchase of business personal property and the purchase of inventory; and
(4) the square footage size of the building or buildings.
- Area:** Lover's Lane Technology Zone, McDevitt Drive Technology Zone, Brandy Station Technology Zone, Elkwood Technology Zone, Bragg's Corner Technology Zone
- Incentives:**
- ❖ Grants for up to three consecutive years
 - ❖ Grant amount based upon a percentage of real estate, business personal property and machinery and tool taxes paid by the business.
 - ❖ Reimbursements up to 100% of the cost for building permits and site plan review permits.
 - ❖ Incentives are based on the level of investment and the determination of the Board of Supervisors after project review.

TECHNOLOGY ZONE INCENTIVES

FALLS CHURCH, VIRGINIA

Business Type: Research, development, manufacturing, or rendering of advanced technology product or services.

Business Qualification: 50% or more of gross receipts derived from creation, design and/or R&D of technology hardware or software. Only gross receipts for qualified functions are exempt from BPOL taxes. Eligibility subject to annual review.

Area: Restricted to non-residential properties in commercial zones.

Incentives:

❖ Business, Professional and Occupational License Taxes and Fees Exemptions:

Year 1 – 100%

Year 2 – 100%

Year 3 – 100%

Year 4 – 50%

Year 5 – 50%

TECHNOLOGY ZONE INCENTIVES

FAUQUIER COUNTY, VIRGINIA

- Business Type:** A business must have as its primary purpose the design, research, development, utilization or production of technology services, software or products.
- Business Qualification:** Existing Businesses must add a minimum of three (3) full-time positions whose salaries are at least 10% above the average County wage level as listed by the Virginia Employment Commission for the prior calendar year following approval of eligibility for incentives. In addition, the company must increase capital investment by at least \$250,000.
- New Businesses must add a minimum of ten (10) full-time positions whose salaries are at least 10% above the average County wage level as listed by the Virginia Employment Commission for the prior calendar year following approval of eligibility for incentives. In addition, the company must increase capital investment by at least \$500,000.
- Area:** Designated areas.

Incentives:

New Businesses:

- ❖ 100% rebate on business, professional and occupational license tax
- ❖ 100% rebate on tangible business personal property tax
- ❖ 100% rebate on machinery and tools tax
- ❖ Permit fee rebates for site plan, building and zoning permits

For those qualified technology businesses that are existing technology businesses, rebates shall only be applicable to taxes assessed on the portion of gross receipts or acquired tangible business personal property, machinery and tools directly attributable to the expansion of the business. The amount of each tax rebate shall be a percentage of that portion of taxes paid by the qualified technology business each year of the incentive period that is directly attributable to the expansion of the business.

TECHNOLOGY ZONE INCENTIVES

FRANKLIN, VIRGINIA

Business Type: Electronic computer manufacturers; computer storage device manufacturers; computer terminal manufacturers; calculator and accounting machine manufacturers; office machine manufacturers; semiconductor and related device manufacturers; communication equipment manufacturers; electronic and other electrical equipment manufacturers; telecommunication businesses providing direct sales, services and/or leasing to customers; manufacturers that process unfinished materials through numerically controlled or computer numerically controlled machinery to produce plastic, paper, metal or rubber products or other finished products

Business Qualification: 20 new jobs and \$250,000 investment

Area: Pretlow Industrial Park and the 16.76 acre parcel located at Armory Drive & College Drive.

Incentives:

❖ Utility tax rebate for telephone and electric bills

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

❖ Building code fees waived (fees include plan review, new construction, plumbing permit, electrical permit and mechanical permit)

❖ Water and sewer connection fees waived

TECHNOLOGY ZONE INCENTIVES

FREDERICK COUNTY, VIRGINIA

Business Type: A qualifying business must derive its gross receipts from research and development and/or production of any product, device, or service that is related to the pharmacology industry.

Business Qualification: To qualify, the new or existing company must have a minimum of three employees and an investment of at least \$10,000. Investment may be established by the value of personal property; real estate owned; or the value of a lease of real property for the operation of the technology business.

Area: The county's urban development area.

Incentives:

- ❖ Five-year exemption from business, professional and occupational license taxes

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

- ❖ Building permit, zoning and subdivision fee rebates

TECHNOLOGY ZONE INCENTIVES

FREDERICKSBURG, VIRGINIA

Business Type:

A “technology business” includes, but is not limited to, research, development, manufacture, or associated training of: applied, economic and social, physical, electronic and computer sciences; biotechnology, chemicals, computer hardware, computer security, computer software, data warehousing, electronics and circuits, energy, environmental, homeland security, information systems, Internet service, Internet software and data applications, manufacturing equipment, advanced materials, medical, finance related companies, multi-media production, pharmaceuticals, photonics, subassemblies and components, test and measurement, telecommunications or transportation.

Business Qualification:

- An existing technology business that expands to create at least five new jobs or makes a new capital investment of at least \$125,000.00.
- A new technology business that creates at least ten new jobs or makes a capital investment of at least \$250,000.00.

Area:

Route 3 Corridor, Route 1 Corridor, the Downtown/Princess Anne Street Corridor, Central Park Corporate Center and Central Park–Silver Street.

Incentives:

- ❖ Reduction of the annual business license tax as follows:

Years 1-3	up to 100%
Years 4 & 5	up to 50%

- ❖ Performance grants on tax revenue generation as follows:

Business Machinery and Tools Tax

Years 1-3	up to 100%
Years 4 & 5	up to 50%

Other Business Personal Property Taxes

Years 1 & 2	up to 30%
Years 3 & 4	up to 50%
Year 5	up to 70%

TECHNOLOGY ZONE INCENTIVES

FRONT ROYAL/WARREN COUNTY, VIRGINIA

Business Type:

A business that derives, in whole or part, gross receipts from computer software, hardware, or telecommunication sales, leases, licenses; or services for which computers or telecommunications are used to provide sales, leases, licensing, or services directly to the customer. Such businesses include but are not limited to, the following:

- Electronic information operations and providers
- Internet service providers
- Software design and development
- Computer and peripherals sales or assembly
- Content developers
- Internet-based sales and services
- Hardware design, manufacture, assembly, and development
- Telecommunications based video service providers
- Outbound or inbound call centers
- Telecommunications equipment manufacturing, assembly, or service

Business Qualification:

Downtown Front Royal Zone:

- Minimum of 3 new jobs paying at least 2 times the minimum wage, plus a health plan benefit equal to at least 10% of the base minimum wage.
- Minimum investment of \$3,000.

Other Zones:

- Minimum of 10 new jobs paying at least 2 times the minimum wage, plus a health plan benefit equal to at least 10% of the base minimum wage.
- Minimum investment of \$10,000.

Note: Investment includes improvements, equipment or machinery. Inventory does not count.

Area: Approximately 125 acres in downtown Front Royal, 125 acres in Happy Creek Technology Park, and Royal Phoenix (Avtex Redevelopment Site).

Incentives:

- ❖ Ten-year exemption from business, professional, and occupational license tax
 - Years 1-5 100%
 - Year 6 80%
 - Year 7 60%
 - Year 8 40%
 - Years 9-10 20%

- ❖ Waiver of permit fees up to \$500; one time EDA grant.

Qualified businesses may be eligible for annual cash grants to be determined on a case-by-case basis by the County of Warren and Town of Front Royal during the negotiation process based on job creation and investment. A minimum of 10 full-time jobs paying at least 2.0 times the minimum wage, and 3 full-time jobs paying at least 2.0 times the minimum wage in the Downtown Front Royal Zone, and benefits as noted above and a minimum investment of \$100,000 \$10,000 and \$3,000 for Downtown Front Royal Zone businesses shall be required to be eligible for cash grants.

TECHNOLOGY ZONE INCENTIVES

HALIFAX COUNTY, VIRGINIA

Business Type: A business engaged in telecommunications, automated data processing, word processing and management information systems activities, biotechnology and life sciences, semiconductor manufacturing, research and development activities in the fields of advanced computing, advanced materials, electronic device technology, environmental technology, or medical device technology, or other technology field, and which uses technology-related equipment in the conduct of its business.

Business Qualification: New businesses must create a minimum of 5 new jobs and \$250,000 in new investment (real, tangible, or machinery and tools) or the equivalent through a 5-year lease or more with the IDA.

Existing businesses must create a minimum of 5 new jobs, and increase the taxable value of related tangible property by at least 25%.

Area: Riverstone Technology Park.

Incentives:

- ❖ Exemption from paying the business, professional and occupational licensure tax for up to five years and a charge of the minimum rate following that period.
- ❖ Rebate of utility taxes for five years
- ❖ Partial rebate of building permit fees
- ❖ Waiver of Water/Sewer Initiation fees
- ❖ Technology Opportunity Fund – For qualified jobs, a payment of \$250 per new job for five years may be available. Only jobs filled by Halifax County citizens are eligible. Jobs must be full time, new jobs and pay at minimum 185% of the federal minimum wage.

TECHNOLOGY ZONE INCENTIVES

HARRISONBURG, VIRGINIA

Business Type: Bioinformatics, health informatics, nanoinformatics, data management, telecommunications, information technology (software, sales, services), data warehousing, desktop support, technical writing, web development, design engineering, software engineering (products and services), e-commerce, internet service provider, wireless technologies, and virtual technologies.

Business Qualification:

- Early stage or semi-mature development status
- An experienced, devoted managerial staff
- A potential and desire to maintain steady growth

Area:

Downtown Zone: The northern boundary is East Elizabeth Street; the western boundary is North Liberty Street to West Market Street, west on West Market Street to the railroad tracks, south on the railroad tracks to West Water Street, west on West Water Street to Old South High Street, south on Old South High Street to West Bruce Street; the southern border is Bruce Street; and the eastern border is South Federal Street.

Harrisonburg Technology Park Zone: Within the boundaries of the Harrisonburg Technology Park.

Incentives:

- ❖ Three-year business, professional and occupational license tax/fee exemption
- ❖ Water and sewer connection fee exemption
- ❖ Partial exemption for certain rehabilitations, renovations or replacements of structures no less than 25 years of age
- ❖ Help tenants secure tax credits through federal and state assistance programs

TECHNOLOGY ZONE INCENTIVES

HENRY COUNTY, VIRGINIA

Business Type: Research, design, development, creation, manufacturing or rendering of advanced technology based products, processes or services for lease, sale or license of computer hardware, computer software, electronic based subassemblies and components, computer controlled automation systems, computer-controlled manufacturing equipment and related distribution services, biotechnology, biomedical research, medical applications, pharmaceuticals, immunology and analytical biochemistry, chemicals, advanced electronics, defense-related electronics, aeronautical and aerospace, energy, environmental, advanced materials, photonics, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, internet communications transfer center, transportation manufacturing assembly.

Business Qualification: Businesses investing at least \$250,000 and creating a minimum of 10 new jobs paying at least one and one-half times the minimum wage in the zone.

Area: Within the county boundary.

Incentives:

- ❖ Real Estate IDA and Machinery and Tools IDA grants of 100% for the first tax year and 50% per year for years two through five.
- ❖ Furniture, fixtures and equipment IDA grant of 100% for the first tax year. For furniture, fixtures and equipment excluding computer equipment the grant will be 50% for years two through five. Computer equipment refunds shall be 50% per year of the calculated taxes using the assessed values of the computer equipment.
- ❖ Waiver of water and sewer availability and connection fees.
- ❖ Waiver of building permit fees.
- ❖ Partial exemption of substantially rehabilitated real estate, pursuant to § 58.1-3221, *Code of Virginia*, of 100% for the first tax year and 50% for years two through five.

November 2017

TECHNOLOGY ZONE INCENTIVES

KILMARNOCK, VIRGINIA

Business Type:

- Businesses whose gross receipts are derived from computer hardware, software or telecommunications manufacture, sales, application, licensing or services, and, for which the computers or telecommunications are used to provide sales, leases, licensing or services directly to a manufacturer, distributor, retailer, customer or user.
- Businesses whose gross receipts are derived from engaging in the research, development, distribution or sales of new products, technologies or equipment.
- Businesses whose gross receipts are derived from the use of technology transferred from a state or private university, government or government contractor for the manufacture or processing of goods.
- Businesses engaged in medical or biomedical research, product development, distribution, sales, practice or service.

Business Qualification:

Existing business: Adds at least five new employees and makes an additional capital investment of at least \$50,000.00 within one year.

New business: Adds at least 10 new employees with an average annual wage that meets or exceeds 115% of the annual average wage of the commonwealth or the county, whichever is lesser; and makes a capital investment of at least \$100,000.

Area:

Technology Park and surrounding area.

TECHNOLOGY ZONE INCENTIVES

KILMARNOCK, VIRGINIA

Incentives:

- ❖ Exemption of business, professional, and occupational license tax
- ❖ Zoning permit fee exemption
- ❖ Water and sewer connection fee exemption
- ❖ Vehicle license tax exemption
- ❖ Subdivision permit fee exemption

New:

Years 1-2	100%
Years 3-4	80%
Years 5-6	60%
Years 7-8	40%
Years 9-10	20%

Existing:

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

TECHNOLOGY ZONE INCENTIVES

LYNCHBURG, VIRGINIA

Business Type:

A business which derives its gross receipts from the design, development, manufacture or other creation, for lease, sale or license of technology based products, processes or related services. Technology based products, processes or related services are defined as engaging in the activity of automation, biotechnology, biomedical research, electronics, computer hardware, computer software, defense, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, internet services, transportation, architecture and engineering or similar activities. An electronic equipment facility that is primarily occupied, or intended to be occupied, by electronic and computer equipment that provides electronic data switching, transmission, or telecommunication functions between computers, both inside and outside the facility shall not qualify as a technology business. The use of computers, telecommunications services, or a web page or internet site shall not, in itself, be sufficient to qualify as a qualified technology business.

Business Qualification:

- Makes a minimum net new capital investment of \$100,000
- (Within one year of the new capital investment, hires 5 net new full-time employees.
 - A full-time employee is a person who is listed on the qualified technology business's payroll within the technology zone and is required to report to work in the technology zone.
 - A full-time employee's wages must be equal to or greater than twice the federal minimum wage rate.
- A full-time employee must be provided with health benefits.

TECHNOLOGY ZONE INCENTIVES

LYNCHBURG, VIRGINIA

Area: Entire city.

Incentives:

- ❖ A five-year reimbursement of business license taxes as follows: during the first (1st) calendar year, a seventy-five percent (75%) reimbursement; for the second (2nd) calendar year a fifty percent (50%) reimbursement; and for the third (3rd), fourth (4th) and fifth (5th) calendar years a twenty-five percent (25%) reimbursement. Five-year reimbursement of the machinery and tools tax (100% for the first 3 years and 50% for the remaining 2 years)
- ❖ A five-year reimbursement of machinery and tools taxes for the value of net new machinery and tools investment as follows: during the first (1st) calendar year, a seventy-five percent (75%) reimbursement; for the second (2nd) calendar year a fifty percent (50%) reimbursement; and for the third (3rd), fourth (4th) and fifth (5th) calendar years a twenty-five percent (25%) reimbursement.

TECHNOLOGY ZONE INCENTIVES MANASSAS, VIRGINIA

Business Type: A company that has 50 percent or more of its gross receipts derived from research, development and/or related services

Business Qualification: New businesses must commit to a performance agreement based upon a minimum investment, jobs, sales revenues, or other significant criteria. The qualified technology business must make a minimum investment and/or create and sustain a minimum number of full-time or equivalent jobs over a period of years outlined in the performance agreement.

Existing businesses must commit to a performance agreement based upon a minimum expansion that may include jobs, a physical expansion or other significant criteria to be eligible.

Area: Within city boundaries.

Incentives: Up to a five year tax exemption from business, professional and occupational license taxes and fees.

TECHNOLOGY ZONE INCENTIVES

MANASSAS PARK, VIRGINIA

Business Type:

A company that has fifty percent (50%) or more of its gross receipts derived from research, development, manufacturing or rendering of advanced technological products or services and that expands or locates in a technology zone. In no case shall the use of computers or telecommunication services by a company or identifiable subdivision of a company in its administrative operations qualify such company or subdivision as a technology business.

Business Qualification:

- The subject real estate must be zoned to the appropriate incentive zoning district.
- The expansion or establishment of the qualifying technology business must be completed prior to the business becoming fully eligible for the incentives.

Area:

Conner Center and City Center Redevelopment Districts.

Incentives:

Each eligible business will receive a declining real estate property tax exemption and/or BPOL tax exemption for an incentive period(s) that will be determined using a point system, as follows:

- ❖ One (1) point will be awarded for each performance measure achieved by the eligible business. The number of points awarded will correspond to the number of years in the incentive period. A business shall not be awarded more than ten (10) points.

Example: A new technology business has located in a technology zone. It hires ten (10) new employees, expands an existing structure by ten thousand (10,000) square feet, increases the assessed value of the real estate by ten thousand dollars (\$100,000.00), and is awarded four (4) points for performance measures. Assuming all eligibility requirements had been met, the length of the incentive periods for a real estate property tax exemption and a BPOL tax exemption would each be four (4) years.

- ❖ For the first year of an incentive period, the amount exempt from real estate property tax and/or BPOL tax shall be the amount eligible for tax exemption pursuant to subsection (a) above.

TECHNOLOGY ZONE INCENTIVES

MANASSAS PARK, VIRGINIA

Example: The new technology business had fifty thousand dollars (\$50,000.00) in new gross receipts and increased the assessed value of the real estate by one hundred thousand dollars (\$100,000.00). In year 1 the amount of new gross receipts exempt from BPOL tax would be forty thousand dollars (\$40,000) (eighty (80) percent of fifty thousand dollars (\$50,000.00)) and the amount of new assessed value exempt from real estate property tax eighty thousand dollars (\$80,000.00) (eighty (80) percent of one hundred thousand dollars (\$100,000.00)).

- ❖ For subsequent years, if any, in an incentive period, the amount exempt from real estate property tax and/or BPOL tax shall be incrementally reduced by a pro rata amount each year, said amount to be determined by dividing the amount exempt in the first year by the number of years in the incentive period.

Example: If the incentive period is four (4) years in length and the new gross receipts exempt from BPOL tax in the first year is forty thousand dollars (\$40,000.00), the amount exempt in each subsequent year would be reduced by ten thousand dollars (\$10,000.00) (forty thousand dollars (\$40,000.00) ÷ four (4)), so that in year 2 the amount exempt would be thirty thousand dollars (\$30,000.00); in year 3 the amount exempt would be twenty thousand dollars (\$20,000.00); and in year 4 the amount exempt would be ten thousand dollars (\$10,000.00). Similarly, if the additional assessed value exempt from real estate tax in the first year is eighty thousand dollars (\$80,000.00), the amount exempt in each subsequent year would be reduced by twenty thousand dollars (\$20,000.00) (eighty thousand dollars (\$80,000.00) ÷ four (4)), so that in year 2 the amount exempt would be sixty thousand dollars (\$60,000.00); in year 3 the amount exempt would be forty thousand dollars (\$40,000.00); and in year 4 the amount exempt would be twenty thousand dollars (\$20,000.00). After the expiration of the incentive period, the business would be taxed on the full amount of both the additional assessed value of real estate and the new gross receipts.

TECHNOLOGY ZONE INCENTIVES

MARION, VIRGINIA

Business Type:

Qualified Manufacturing Technology Business: A business engaged in the activity or activities that constitute technology-driven production, including but not limited to the manufacture of advance materials, automation and robotics, biotechnology, computer hardware and software, the manufacture or assembly of hi-tech defense products, electronic subassemblies and components, the manufacture of energy and environmental products, medical instruments, pharmaceuticals, testing and measurement devices, the manufacture or assembly of telecommunication devices, energy saving or environmental transportation products, and products which result in systems integration. This definition also includes any value-added manufacturing industry which uses advance technology in a production processes, or any similar activity or activities, which is deemed appropriate for a technology zone as defined in another jurisdiction of the commonwealth, and found as such by the town council, or by the administrator or his/her designee.

Qualified Non-manufacturing Technology Business: A business engaged in computer-related activities, telecommunications, electrical equipment manufacturing, or the rendering of advanced technology products or services. The use of computers or telecommunications by a business in its internal operations shall not qualify a business, as it is the product or service that is important.

Business Qualification:

For qualified manufacturing technology business:

- a. The business must create and maintain a minimum of 25 new full-time employment positions for at least a one-year period.
- b. Each new employee of the business must be compensated at the weekly or monthly wage rate that is at least twice the currently-defined federal minimum wage.
- c. The business must make a new verified minimum capital investment on the property in the zone in either real estate or improvements, or of machinery and tools, of \$1,000,000.00.

TECHNOLOGY ZONE INCENTIVES

MARION, VIRGINIA

For qualified non-manufacturing technology business:

- a. The business must create and maintain a minimum of three full-time employment positions for at least one year.
- b. Each new employee must be compensated at a weekly or monthly wage rate that is at least twice the currently defined federal minimum wage.
- c. The business must make a new verified capital investment on the property in either real estate or improvements, or of machinery and tools, of \$25,000.00. Investment may be established by the value of the personal property used, the value of the lease or the real property acquired for the operation of the business.

Area:

Within the town boundary.

Incentives:

- ❖ Machinery and tools tax grant of up to 100% of the new and increased machinery and tools tax paid to the town for up to 5 years.
- ❖ Real estate tax grant of up to 100% of the net increase in real estate taxes paid to the town for up to 5 years.

TECHNOLOGY ZONE INCENTIVES

NEWPORT NEWS CITY, VIRGINIA

Business Type: Qualifying technology businesses.

Business Qualification: Varies by incentive.

Area: Designated area.

Incentives:

❖ Technology Zone Business License Fee Refund

Businesses located within the City's Technology Zone may be eligible receive a Business License Fee Refund equal to 50% of the fee paid each year for a ten-year period.

To be eligible, a business must provide engineering or other professional or business services for energy development, including the development of energy infrastructure; modeling and simulation, photonics and nano-technology, and aerospace, including the development of products derived from these technologies; and other research and development.

The business must be new to Newport News and not from a Hampton Roads locality, and must create at least 25 new jobs, with salaries of at least \$75,000. The City Manager or his/her designee may reduce the job creation requirement to 10 jobs for SWaM businesses.

❖ Technology Zone Energy and Defense Infrastructure Grant

Eligible projects must be for the manufacturing of a product not currently produced in Newport News. Projects must be within one of the following target industries: Production of capital equipment to support non-carbon based energy production or production of a defense weapon system (not currently being produced in Newport News).

The grant is equal to 0.5% of the Net New Capital Investment made by a company to support the project, which will be paid during each of the four years following the assessment of the initial net new taxable investment.

To be eligible, projects must create at least 100 jobs and invest at least \$25 million in net new taxable investment in real estate and/or machinery.

TECHNOLOGY ZONE INCENTIVES

NORFOLK, VIRGINIA

Business Type:

- Cybersecurity, personal security and property security
- Sea level rise and recurrent flooding
- Medical devices, medical diagnostics, pharmaceuticals, biotechnology, biochemical engineering and other life sciences and health care technologies
- Advanced materials and advanced manufacturing
- Computer hardware and software
- Electronics and instrumentation
- Photonics and sensors
- Internet and e-commerce
- Educational and training technologies, including modeling and simulation
- Bio-informatics and data analytics
- Logistics and maritime commerce
- Information technology, telecommunications and wireless technology
- Green technologies, renewable energy research and development and energy conservation
- Advanced transportation technologies
- Nanotechnology

Area:

Designated areas.

Incentives:

❖ Reduction of BPOL tax as follows:

Year 1 – 100%
Year 2 – 100%
Year 3 – 50%
Year 4 – 50%
Year 5 – 50%

TECHNOLOGY ZONE INCENTIVES

PAGE COUNTY, VIRGINIA

Business Type: Technology businesses as determined by the Board of Supervisors.

Business Qualification: Eligible businesses must be located within the boundaries of the zone and conform to all applicable zoning.

Area: Page County Airport.

Incentives:

The qualified technology business shall be allowed to prepay all tangible personal property taxes due on tangible personal property located in the zone for up to a ten-year period based on the tax rate in effect at the time of the approval of the tax incentive for the qualified technology business. In the event that Page County increases its tax rate on tangible personal property during such ten-year period, the qualified technology business shall not be liable for any additional taxes, and any excess taxes which would normally be owed due to the increased tax rate shall be forgiven.

Additional incentives may be offered as determined by the Board of Supervisors.

TECHNOLOGY ZONE INCENTIVES

POQUOSON, VIRGINIA

Business Type:

Design, or research and development of computer hardware or software, computer network protocols, information systems, Internet software, Internet data applications, data centers, etc.

Production of multimedia products, training in the use of computer hardware or software or computerized mapping systems.

Development of technology related to health, security, national defense, telecommunications, data warehousing, desktop publishing, wireless technologies or virtual technologies.

Provision of internet services and business to business exchanges.

Research, design and manufacture and development of biotechnology, pharmaceutical or medical technologies or products.

Research, design and manufacture and development of electronics for lease, sale or license, including flexible printed circuits, custom integrated circuits, electronic assemblies, and medical electronic displays.

Research, design, manufacture and development of electronic automobiles, buses and other transportation devices that do not use internal combustion engines as the primary means of propulsion.

Research, design, manufacture and development of alternate energy technology or the energy production from such sources; to include wind turbines, photovoltaic cells, fuel cells, etc.

Research and development related to computer and electronic systems, computer software, applied sciences, and physical sciences.

Business Qualification:

Must have a minimum of five employees, make a minimum capital investment of \$500,000.

Area:

Village commercial, research and development and general commercial zoning districts as well as portions of the B-1 office and professional zoning district and the B-2 business and commercial zoning districts.

Incentives:

A 30 percent reduction of the business license, real estate and business tangible taxes for three years.

TECHNOLOGY ZONE INCENTIVES

ROANOKE COUNTY, VIRGINIA

Business Type: Qualified technology businesses

Business Qualification: Invest a minimum of \$100,000 and have an average wage equal to one and a half times the existing median wage rate for the Roanoke Region.

Area: Roanoke County Centre for Research & Technology

Incentives:

- ❖ Up to 100% discount of purchase price of land within the zone
- ❖ Up to 100% discount of water and sewer connection fees
- ❖ Up to 100% discount of the cost of building permit, plan review, and land disturbance fees
- ❖ Site preparation and/or infrastructure improvement grants and/or a one-time local job-training grant for up to \$500 per employee
- ❖ Local BPOL tax exemptions

TECHNOLOGY ZONE INCENTIVES

ROCKINGHAM COUNTY, VIRGINIA

Business Type:

Qualified technology businesses investing in technological advancements to machinery and tools within the zone.

Business Qualification:

South Fork Zone:

- In the 24 months in which the qualifying investment is made, invest a minimum of \$50 million in new capital investment in machinery and tools.
- Remit the full payment of all property taxes owed by such applicant and due to Rockingham County, including the taxes due on the new capital investment.
- Provide detailed information to allow verification of the application for the grant, including reconciling this information with the annual personal property assessment filing with the Commissioner of the Revenue for all machinery & tools inventory at the plant.

Bridgewater Aviation Zone:

- In the five years in which the qualifying investment is made, invest a minimum of \$250,000 in machinery, tools, and tangible personal property (other than aircraft) related to aviation, invest a minimum \$150,000 in real property improvements consisting of hangars and support shops for aviation-related technologies.
- Pay a minimum of \$20,000 in personal property tax on aircraft for each of the five years in which the qualifying investment is made.
- Remit the full payment of all property taxes owed by such applicant and due to Rockingham County, including the taxes due on the new capital investment.
- Provide detailed information, as required by the County, to allow verification of the application for the grant, including reconciling this information with the annual personal property assessment filing with the Commissioner of the Revenue.

TECHNOLOGY ZONE INCENTIVES

ROCKINGHAM COUNTY, VIRGINIA

Digital Print Zone:

- In the 24 months in which the qualifying investments are made, invest and install digital print technology equipment that is taxable as machinery and tools by the County with a total book value of \$15,000,000 or greater. Said investments shall expand the operations at the plant located in the zone, and shall not include equipment that merely repairs or replaces existing equipment of similar technology.
- Remit by the due date full payment of all property taxes owed by such applicant and due to Rockingham County for all property and equipment located in the County, including taxes due as a result of the new capital investment.
- Provide detailed information, as required by the County, to allow verification of the application for the grant, including reconciling this information with the annual personal property assessment filing with the Commissioner of the Revenue for all machinery & tools inventory at the plant.

Mt. Crawford Zone:

- In the 24 months in which the qualifying investments are made, invest and install equipment that is taxable as machinery and tools by the County with a total book value of \$20,000,000 or greater. Said investments shall expand the operations at the plant located in the Zone, and shall not include equipment that merely repairs or replaces existing equipment of similar technology. In addition, the applicant shall certify to the County that it will, during the investment period, employ at least 30 additional persons full-time, at an average annual compensation of \$40,000 per year plus benefits, at the plant in the Zone related to this investment.
- Remit by the due date full payment of all property taxes owed by such applicant and due to Rockingham County for all property and equipment located in the

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TECHNOLOGY ZONE INCENTIVES

ROCKINGHAM COUNTY, VIRGINIA

County, including taxes due as a result of the new capital investment.

-
- Provide detailed information, as required by the County, to allow verification of the application for the grant, including reconciling this information with the annual personal property assessment filing with the Commissioner of the Revenue for all machinery & tools inventory at the plant.

Area: Designated zone areas.

Incentives:

South Fork Zone:

The amount of the annual Economic Development Grant shall be computed by multiplying the Annual Grant Percentage times the tax paid by the qualified zone business for additional, new capital investments in machinery & tools in the Zone for the years after qualification as set forth in the following table:

Tax Year after Qualification	Annual Grant Percentage
1	56%
2	50%
3	43%
4	33%
5	20%

Bridgewater Aviation Zone:

The amount of the annual Economic Development Grant shall be computed by multiplying the amount of personal property tax paid for aircraft owned by the applicant or subsidiary thereof and located in Rockingham County by 84.3%.

TECHNOLOGY ZONE INCENTIVES

ROCKINGHAM COUNTY, VIRGINIA

Digital Print Zone:

The amount of the annual Economic Development Grant for the Digital Print Technology Zone shall be computed by multiplying the Annual Grant Percentage times the tax paid by the qualified zone business for additional, new capital investments in machinery & tools in the Zone for the years after qualification as set forth in the following table:

Tax Year After Qualification	Annual Grant Percentage
1	11%
2	25%
3	42.9%
4	66.7%
5	60%
6	50%
7	33%

Mt. Crawford Zone:

The amount of the annual Economic Development Grant for the Mt. Crawford Technology Zone shall be computed by multiplying the Annual Grant Percentage times the tax paid by the qualified zone business for additional, new capital investments in machinery & tools in the Zone for the years after qualification as set forth in the following table:

Tax Year After Qualification	Annual Grant Percentage
1	11%
2	25%
3	43%
4	33%
5	20%
6	25%

TECHNOLOGY ZONE INCENTIVES

RUSSELL COUNTY, VIRGINIA

Business Type: Business/Technology Park (non industrial) type business.

Business Qualification: Minimum of 100 new full-time jobs. Jobs must be established during first 6 months of operation.

Area: Russell Regional Business Technology Park

Incentives:

Incentives will be available during the first five (5) years of operation.

❖ Machinery & Tools taxes will be reimbursed at the following rate:

Years 0 – 1	90%
Years 2 – 3	80%
Years 4 – 5	70%

❖ Real Estate Taxes will be reimbursed at 50% of the taxable rate.

TECHNOLOGY ZONE INCENTIVES

SMYTH COUNTY, VIRGINIA

Business Type:

Technology-related businesses engaged in the manufacture of advanced materials, automation and robotics, biotechnology, computer hardware and software, defense products, electronic subassemblies and components, energy and environmental-related activities, medical instruments, pharmaceuticals, testing and measurement devices, telecommunications, transportation products, and systems integration. Also, the definition includes any value-added manufacturing industry that uses advanced technology in production processes or any activity or activities deemed technologically-based by the administrator or Board of Supervisors.

Business Qualification:

Businesses must create at least 25 new jobs paying at least twice the minimum wage within a one-year period. Minimum capital investment in real estate, personal property, or machinery and tools of \$1,000,000.

Area:

Industrial Road property in and near the Town of Marion. A total area of 119 acres.

Incentives:

- ❖ Five-year economic stimulus grant based on the amount of new capital investment in machinery and equipment and real estate improvements. Grant is based on 100 percent of new machinery and tools taxes paid, and 100 percent of the net increase in real estate taxes paid.
- ❖ Additional discretionary cash grants determined on a case-by-case basis, including local match dollars for the Governor's Opportunity Fund.

TECHNOLOGY ZONE INCENTIVES

SPOTSYLVANIA COUNTY, VIRGINIA

Business Type: A business whose primary purpose is the research, development, or manufacture and/or design for lease, sale or license of Technology Products, Processes or Related Services.

Business Qualification: Existing businesses must meet one of the following criteria:

- Provide additional capital investment of at least \$100,000 over the base year; or
- Increase the average number of full-time employees by the greater of:
 - 10% over the base year; or
 - An average increase over the base year of at least 3 new, full-time employees

New businesses must meet one of the following criteria:

- Provide capital investment of at least \$150,000; or
- Employ at least 5 new, full-time employees

New and existing businesses must meet the following conditions:

- Wages paid to full-time employees must be equal to or greater than 20% above the county's average annual salary as determined by DED.
- Must meet and maintain the minimum qualifying employment and investment levels through Year 5.

Qualified technology businesses that have completed one five-year incentive period and seeking technology zone incentives for a second five-year period will be treated as an existing business for qualification purposes.

Area: Primary Settlement District
Jackson Gateway Corridor
Lake Anna Corridor

August 2017

TECHNOLOGY ZONE INCENTIVES
SPOTSYLVANIA COUNTY, VIRGINIA

Incentives:

- ❖ Rebate on the Business, Professional and Occupational License Tax
 - Year 1 100%
 - Year 2 100%
 - Year 3 50%
 - Year 4 50%
 - Year 5 50%

- ❖ Rebate on the Machinery and Tools Tax
 - Year 1 100%
 - Year 2 100%
 - Year 3 50%
 - Year 4 50%
 - Year 5 50%

- ❖ Qualified technology businesses shall be placed in the county's established Fast Track Development Review, Permitting and Inspections program.

Note: For existing businesses, rebates shall only be applicable to taxes assessed on the portion of gross receipts or acquired machinery and tools directly attributable to the expansion of the business.

TECHNOLOGY ZONE INCENTIVES

STAFFORD COUNTY, VIRGINIA

Business Type: Includes, but is not limited to, research, development, manufacture, or associated training of: biotechnology, chemicals, computer hardware, computer security, computer software, data centers, energy, environmental, homeland security, manufacturing equipment, advanced materials, medical, finance related companies, pharmaceuticals, photonics, subassemblies and components, test and measurement, telecommunications, or transportation.

Business Qualification: Existing businesses must add a minimum of ten (10) full-time employees whose combined average salary is at least 100% of the average annual wage countywide based on the most recent quarterly data as prepared by the VEC. In addition, the firm must increase capital investment by at least \$500,000.

New businesses must create a minimum of twenty (20) full-time job positions whose combined average salary is at least 100% of the average annual wage countywide based on the most recent quarterly data as prepared by the VEC. In addition, the firm must increase capital investment by at least \$1,000,000.

Area: Designated area is the Urban Services Area.

Incentives:

- ❖ A waiver of certain fees associated with new construction, including, but not limited to building permit, plan review and land disturbance fees, based upon the level of employment and capital investment generated by the business.
- ❖ Tangible Personal Property tax rebate:

Years 1 – 2	70%
Years 3 – 4	50%
Year 5	30%
- ❖ Up to a full rebate of any business-based taxes.

TECHNOLOGY ZONE INCENTIVES

SUFFOLK, VIRGINIA

- Business Type:** Must be a technology business per one of the following NAICS classifications: 334, 5112, 517, 518, 51913, 5415, 5417, or 8112.
- Business Qualification:** Existing businesses must expand by a minimum of 2,500 sq. ft. or 10% of existing space, whichever is greater, and must have a minimum of five (5) employees based out of the Suffolk location.
- New businesses must occupy a minimum of 2,500 sq. ft. of commercial space and must have a minimum of five (5) employees based out of the Suffolk location.
- Area:** Northern Suffolk Urban/Suburban Development District or Central Urban/Suburban Development District.
- Incentives:**
- ❖ A one year 50% return on paid business license tax, not to exceed \$30,000.
 - ❖ A one year 50% return on paid personal property tax, not to exceed \$20,000.

TECHNOLOGY ZONE INCENTIVES

WINCHESTER, VIRGINIA

Business Type: A business which derives its gross receipts from computer hardware, software or telecommunications sales, leases, licensing or services, and, for which the computers or telecommunication is used to provide sales, leases, licensing or services directly to the customer.

Business Qualification: To qualify, the company must have a minimum of 3 employees and an investment of at least \$10,000. The investment may be established by the value of personal property; real estate owned; or the value of a lease of real property for the operation of the technology business.

Area: 125 acres in downtown Winchester

Incentives:

- ❖ Five-year exemption of business, professional, and occupational license tax

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

- ❖ Five-year rebate of utility taxes for telephone, electricity, and cable

Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

- ❖ Water and sewer connection fee rebate
- ❖ Building code fee rebate
- ❖ Zoning ordinance fee rebate
- ❖ Subdivision ordinance fee rebate

TECHNOLOGY ZONE INCENTIVES

WYTHEVILLE, VIRGINIA

Business Type:

- Design, development or other creation, for lease, sale or license, of computer software or hardware, computer network protocols, information systems, Internet software, Internet database applications;
- Provision of Internet services (i.e., services, including an Internet Web-hosting service, enabling users to access content, information, electronic mail and the Internet as part of a package of services sold to customer), and business-to-business exchanges;
- Design, development or other creation, for lease, sale or license, of biotechnology, or pharmaceutical or medical technologies or products, including, without limitation: drug development, clinical trials services, data management and reporting and regulatory services;
- Design, development or other creation or provision, for lease, sale or license, of immunology and analytical biochemistry services, including, without limitation: mass spectrometry and HPLC, or liquid chromatography, equipment, services and supplies;
- Design, development or other creation of electronics, for lease, sale or license, of telecommunications equipment or technology, such as digital switching systems, Internet protocol telephony gateway, network telephone solutions;
- Design, development or other creation of electronics, for lease, sale or license including, without limitation: flexible and printed circuits, custom integrated circuits, electronic assemblies, medical electronics displays;
- Receipt, as the principal or prime contractor, of identifiable federal appropriations for research and development services, as such services are defined in §31.205-18(a) of the Federal Acquisition Regulations, in the areas of: (i) computer and electronic systems, (ii) computer software, (iii) applied sciences, (iv) economic and social sciences, and (v) electronic and physical sciences;
- Any other business or industry as may be further defined from time to time by the Town of Wytheville;

TECHNOLOGY ZONE INCENTIVES

WYTHEVILLE, VIRGINIA

- Business Qualification:**
- The business must constitute a “technology business” as set forth in Section 2-241 of the Town Code;
 - The business must not be operating under a certificate of public convenience issued by the Virginia State Corporation Commission;
 - The business must not be engaged in the provision of a “utility service” as that term is defined within Section 14-31 of the Town Code;
 - At the time of application, any qualified business must certify that it expects to be engaged in such business throughout the entire or remaining portion of the tax year for which an incentive is sought; and,
 - The business must have submitted an application for qualification to the Town Treasurer, on or before March 1 of the tax year for which a reduction of taxes is sought under this section.

Area: Within corporate limits.

Incentives:

- ❖ 100% reduction of license fee for technology businesses with gross receipts of \$50,000 or less.
- ❖ 50% reduction of any taxes owed for technology businesses with gross receipts of more than \$50,000.