

ENTERPRISE ZONES

WHAT IS AN ENTERPRISE ZONE?

The Utah Enterprise Zone Program was established in 1988. An enterprise zone comprises an area identified by local elected and economic development officials and designated by the state. Under the program, certain types of businesses locating to, or expanding in a designated zone may claim state income tax credits provided in the law.

DESIGNATION

Any city or county in the state of Utah may be eligible for enterprise zone designation. Application for designation must be made by a city with 10,000 or less population located in a county with 50,000 or less population, or an Indian Tribe for tribal lands. Applications will be reviewed and approved on the basis of economic development need, its quality, and other considerations based on a variety of economic distress factors. Some of these may include:

- Pervasiveness of poverty, unemployment, and general distress in the proposed zone. See Utah's 12 Economic Distress Factors below.
- Extent of chronic abandonment, deterioration, or reduction in value of commercial property in the proposed zone.
- Potential for new investment and economic development in the proposed zone.
- Applicant's proposed use of other state and federal development funds (grants) and programs to increase the probability of new investment and development occurring in proposed zone.
- Extent projected development in the zone will provide employment to residents, particularly, individuals who are unemployed or economically disadvantaged in the zone, and
- The degree to which the zone applicant's application promotes innovative solutions to economic development problems and demonstrates local initiative.
- Other relevant factors which the Governor's Office of Economic Development specifies.

Related Links

[Enterprise Zones Tax Credits](#)

[Utah Enterprise Zones Map](#)

[Enterprise Zone Application](#)

[ENTERPRISE ZONE EXPIRATION AND CONTACT LIST- UPDATED DEC., 2015](#)



TAX CREDITS

The following tax credits may be claimed by eligible businesses locating or expanding in enterprise zones on Utah state income tax forms:

JOB CREATION TAX CREDITS (maximum 30 full time positions per tax year):

1. A \$750 tax credit for each new full time position filled for at least six months during the tax year.
2. An additional \$500 tax credit if the new position pays at least 125% of the county average monthly wage for the respective industry (determined by the Utah Dept. of Employment Security). In the event this information is not available for the respective industry, the position must pay at least 125% of the total average monthly wage in the county.
3. An additional \$750 tax credit if the new position is in a business which adds value to agricultural commodities through manufacturing or processing.
4. An additional \$200 tax credit, for two consecutive years, for each new position insured under an employer sponsored health insurance program if the employer pays at least 50% of the premium.

OTHER TAX CREDITS:

1. A tax credit (not to private nonprofit cc is accredited by the
2. A tax credit of 25% vacant for at least 1
3. An annual investme \$1,000,000 qualifyi

Non refundable tax credits are a start of the tax year in which the years. Businesses closing opera credits under this program. Cons public utilities are not eligible to

For more information about tax
Utah Tax Commission
Technical Research Unit
Taxpayer Services Division
210 North 1950 West
Salt Lake City, Utah 84134
Telephone: (801) 297-2200
Fax: (801) 297-7574
taxmaster@utah.gov



Linda Gillmor

Associate Managing Director for Urban and Rural Business Services and Director of the Office of Rural Development
801-538-8804

[Contact Linda »](#)



Daniel Royal

Rural Incentives Analyst
801-538-8687

[Contact Daniel »](#)



Jake Hardman

Rural Outreach Coordinator
435-865-6541

[Contact Jake »](#)

to a 501(c)(3) velopment, and

has been

5% of the next erty.

e zones from the over for three may not claim tax sinesses and