



## Virginia Enterprise Zone ("VEZ") Tax Credit Program

The Virginia Enterprise Zone ("VEZ") is a tax credit program designed to "encourage job creation and private investment" in various "Enterprise Zones" throughout the Commonwealth. The program is administered by the Virginia Department of Housing and Community Development ("DHCD"), and is comprised of two grants – the Job Creation Grant ("JCG") and the Real Property Investment Grant ("RPIG"). Information can be found on its website at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov)

The Job Creation Grant is for employers who create at least four net new qualifying jobs. The amount of the grant is determined by the wage rate, in comparison to the federal minimum wage rate, and the location of the jobs created. The grant is awarded in the year in which the jobs are created. Businesses must qualify for the grants annually by applying to the DHCD through its website **and** in writing.

The Real Property Investment Grants are available for investments made to industrial, commercial, or mixed-use properties located with the Enterprise Zones. Funding for the RPIGs is determined annually by the General Assembly. Investments are eligible for the grant in the year in which the property is "placed in service." Applications, and required documentation, are due to the DHCD by April 1<sup>st</sup> for approval for the previous tax year.

Taxpayers claim the related tax credits by preparing Form 301, attaching the certificate of qualification from DHCD, and preparing Schedule CR (for individual taxpayers) or Form 500CR (for business return filers), to be submitted along with the taxpayers VA income tax return.

Let us know if you have questions about the program, or if you need our assistance determining if your venture qualifies for either grant, or with the application process.