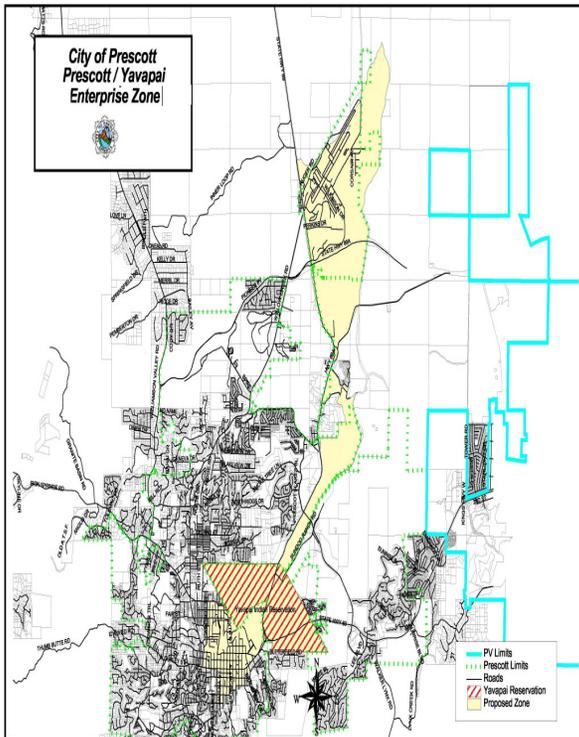


## HOW DO I APPLY?

- Determine if your company is located in a zone by contacting the zone administrator.
- Verify your eligibility for benefits.
- Visit [www.azcommerce.com](http://www.azcommerce.com) to download forms, local maps and a list of zone administrators.

The Prescott/Yavapai Enterprise Zone constitutes about 10 square miles from central downtown Prescott to the Prescott Municipal Airport, and including the Yavapai-Prescott Indian Tribe Reservation. A general map of the Prescott/Yavapai Enterprise Zone is provided below; however, all applicants should verify their eligibility with the local zone administrator.



## PRESCOTT / YAVAPAI ENTERPRISE ZONE

### BENEFITS FOR TAX CREDITS OR RECLASSIFICATION

Income or Premium tax credits up to \$3,000 for each new job over a 3-year period, with a maximum of 200 new jobs per taxpayer in any given year. Credits are \$500 the first year of employment, \$1,000 the second year, and \$1,500 the third year. Unused credits can be carried forward for up to five taxable years.

If a manufacturer qualifies, all real and personal property at the zone location is reclassified for 5 years to a 5% tax assessment ratio (about 40% to 60% savings). This reclassification applies only to *primary* property taxes.

### YAVAPAI-PRESCOTT INDIAN TRIBE BUSINESS

Qualified businesses located on Tribal lands can claim corporate income tax credits. They do not pay property taxes to the Tribe and thus are not eligible for that benefit. The Tribe may offer other benefits to businesses located on Tribal land irrespective of the state Enterprise Zone program.

## PRESCOTT ECONOMIC DEVELOPMENT OFFICE

For more information, contact:  
Jane Bristol, Zone Administrator  
201 S. Cortez  
Prescott, AZ 86301  
(928) 777-1248  
Fax: (928) 777-1255  
Website: [www.PrescottED.com](http://www.PrescottED.com)

PRESCOTT ECONOMIC  
DEVELOPMENT OFFICE

## PRESCOTT / YAVAPAI ENTERPRISE ZONE

This innovative program offers State Corporate Income Tax Credits and/or Property Tax Rate Reduction for eligible companies located in the Prescott/Yavapai Enterprise Zone.



Yavapai-Prescott Indian Tribe

A PUBLICATION OF  
THE CITY OF PRESCOTT  
ECONOMIC DEVELOPMENT  
OFFICE  
JANUARY 2009

# PRESCOTT/YAVAPAI ENTERPRISE ZONE

The Arizona Department of Commerce administers the enterprise zone program, which was established by the legislature in 1989. The primary goal is to improve the economies of areas in the state with high poverty or unemployment rates.

Incentives for non-retail businesses and insurers located in the Prescott/Yavapai Enterprise Zone include:

- State of Arizona corporate income tax credits of up to \$3,000 over three years for each net new qualified job created.
- Local property tax rate reductions for manufacturers with a capital investment of \$1 million or more within the Enterprise Zone.
- Special financial and administrative assistance from the City of Prescott, Yavapai County, or the Yavapai-Prescott Indian Tribe.



## INCOME/PREMIUM TAX CREDITS

Any company or insurer located within the enterprise zone, with less than 10% retail sales at the zone location (restricted to products sold to employees, promotional products bearing the company's logo, and food sold to employees or guests at the location).

To qualify, a company must create new jobs that are full-time and permanent, pay at least the average wage offered by county as determined annually by the Arizona Department of Commerce, pay at least 50% of health insurance costs for the employee, perform work primarily at the zone location, and have 35% of the employees on whom the credit is taken live within any enterprise zone in the same county on the date of hire.

Tax credits must be reported to the Arizona Department of Commerce by the earlier of six months after the end of the tax year or prior to filing the Arizona tax return. Tax credits must be claimed with the Arizona Department of Revenue by the due date, with extensions, for the tax year.



## PROPERTY TAX REDUCTIONS

Manufacturing\* companies and commercial printers\*\* that locate or expand facilities, own or use property located within the enterprise zone, and are either:

- woman-owned; or
- minority-owned; or
- small (less than 100 full-time employees at the location or less than \$4 million gross sales); and
- are independently owned and operated (not more than 50% by another company unless ownership is family-owned or closely held).

The company must make an investment of \$1 million in fixed assets at the zone location. This investment can be aggregated from 01/01/2001.

\*Manufacturing means fabricating, producing or manufacturing products, wares or articles for use from raw or prepared materials, imparting to those materials new forms, qualities, properties and combinations.

\*\*Commercial printing means producing printed product through a lithograph or flexographic process, from material cut to press size on the premises, transferred with pressure, and finished with a product that may include scoring, folding, die cutting, gluing, stamping, embossing or packaging.