



GEORGIA RETRAINING AND GEORGIA JOBS TAX CREDITS




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Meet Your Presenters



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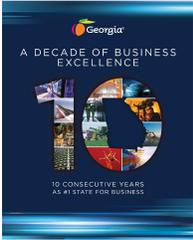

- Principal at Specialty Tax Group (STG)
- Responsible for technical operations of R&D
- Certified Credits & Incentives Professional (CCIP) through the Institute of Professional of Taxation (IPT)
- 12+ years of experience in the Specialty Tax Services industry
- Expert:
 - R&D Tax Credits, Training Credits, Job Creation Tax Credits; Federal Work Opportunity Tax Credit, Indian Employment Tax Credit, Empowerment Zone Tax Credit
- The University of Georgia – Business Management (BA)

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Georgia Tax Credits

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Georgia On My Mind



Georgia No. 1 State for Business for 10th Consecutive Year



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Georgia Retraining Tax Credit (RTC)– How to Qualify

- Companies that train their employees to use newly implemented or upgraded (new releases) software or technology (phone apps) or new equipment can claim the Georgia Retraining Tax Credit.
- The company must file a Georgia income tax return. The credit offsets up to 50% of the Georgia Corporate income tax liability. If the earned credit exceeds that limit, then the unused credit can be carried forward for up to 10 years and applied to future years' tax liability.
- The trained employees must meet this criteria to qualify:
 - Must be a Georgia resident
 - Must be a first-line employee or immediate supervisor
 - Must work 16 weeks prior to the training
 - Must work 25 hours per week

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Georgia Retraining Tax Credit – How to Calculate

- Equal to one-half of the direct cost of training and allows for a credit of up to \$1,250 per qualified employee per year
- The annual maximum of the credit amounts to \$1,250 per employee. Eligible expenses include:
 - Employee wages during retraining
 - Costs of instructors (both internal and external) and teaching materials
 - Reasonable travel expenses including flight, hotel, rental car, gas, and even meals
 - Training room technology upgrade costs



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Georgia Retraining Tax Credit – Why I Love this Credit

- Any industry qualifies for this credit.
- Companies other than manual labor companies have constant software & technology upgrades where updates are pushed out automatically through the cloud.
- Calculation is reviewed (online) and approved by the state prior to filing on the tax return.
- STG has a great relationship with the "approver".
- The credit has been around since 1994.
- The credit can be claimed annually.
- Partnership with Thread for payroll.



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Georgia Retraining Tax Credit – Common Misconceptions

- "I don't qualify for the Georgia RTC"
- "The Georgia RTC requires too much documentation"
- The Georgia RTC puts me at risk for an audit"
- "My accountant takes care of this for me"
- "I don't have time to gather the data"



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Georgia Retraining Tax Credit – Best Practices

- Understand that the method of learning does not matter and includes vendor-led, webinars, peer-to-peer, or even on-the-job self-learning.
- Have management train their team on software, equipment, and technology, especially if they travel for training themselves (train-the-trainer)
- Track your learning as it happens using a shared document
- Keep receipts related to training (vendor and travel)
- Involve department heads, management, IT, and HR



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Georgia Jobs Tax Credit – How to Qualify

- Companies within Georgia that are adding headcount (minimum threshold for jobs added year over year starts at 2 FTE's) in the form of expansions, relocations, and even organic growth can qualify for the Georgia JTC in one of two ways:
 - The company must be within a business enterprise (preferred industry) which are manufacturing, warehousing and distribution, logistics, FinTech, software development, processing, telecommunications, tourism, data centers, research and development facilities
 - The company must be located within a special zone such as an Opportunity Zone or Military Zone or within a Tier 1 – Bottom 40 County.
 - Counties and certain census tracts in the state are ranked and placed in economic tiers using the following factors: highest unemployment rate, lowest per capita income, and highest percentage of residents whose incomes are below the poverty level.

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Georgia Jobs Tax Credit – How to Calculate

- Credit value ranges from \$1,250 to \$4,000 per year for 5 years for every new job created as long as the jobs are maintained.
- Georgia has special benefits (credit can be applied to payroll withholding) for companies in Opportunity Zones, Military Zones, or are located in a Tier 1 county.
- Additional bonuses (\$1,250 per job) for companies that increase shipments in Georgia ports (Port Bonus) or are PPE manufacturers (PPE Manufacturing Tax Credit).

162	JOB TAX CREDIT \$ (PER 5 YEARS)	NPL NEW JOBS	CREDIT ALLOWANCES	CARRY FORWARD	SPECIAL ZONE	JOB TAX CREDIT \$ (PER 5 YEARS)	NPL NEW JOBS	CREDIT ALLOWANCES	CARRY FORWARD
2	\$2,000	10	100% of tax liability, capped at \$2,000 per job	5 years	MI/OZ	\$3,500	2	100% of tax liability credit to employer	5 years
3	\$1,750*	15	80% of tax liability	5 years	LDCT	\$3,500	5	100% of tax liability credit to employer	5 years
4	\$1,250*	25	80% of tax liability	5 years					

*Includes \$500 Bonus for Joint Development Authority (JDA). The majority of counties are in a multi-county JDA.

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Questions?

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