



# Georgia Jobs Tax Credit (JTC)

CREATING NEW JOBS IN GEORGIA IS A GOOD WAY TO REDUCE (AND POTENTIALLY ELIMINATE) YOUR COMPANY'S CORPORATE TAX LIABILITY.

## WHAT IS THE GEORGIA JOBS TAX CREDIT?

New and expanding companies may earn Jobs Tax Credits (JTC) for creating new jobs in Georgia. The JTC gives a qualified company a credit ranging from \$1,250 to \$4,000 per year for 5 years for every new job created.

### TO QUALIFY:

- The new jobs must be in a specific industry sector, such as manufacturing, warehousing and distribution, logistics, software development, FinTech, contact centers, telecommunications, R&D facilities or data processing or be the headquarters of such an industry. Companies in any industry are qualified as long as they are located within a Military Zone, Opportunity Zone or in one of the 40 least-developed counties.
- You must create a minimum number of jobs within a year. The number depends on your company's tier or special zone (more on this below).
- To keep earning the credit for all 5 years, the jobs you create must be maintained for all of those years. If the project creates new jobs above the minimum threshold, a new 5-year window opens.

### VALUE:

The credit value depends on where the new jobs are located. Each year, all 159 Georgia counties are assigned to one of four tiers based on unemployment rate, per capita income, and poverty rate. Counties with the highest levels of economic distress are classified as Tier 1 counties and earn the highest credits. See full breakdown below:

- Tier 1 - \$4,000 credit per new job per year for 5 years with a minimum of 2 new jobs
- Tier 2 - \$3,000 credit per new job per year for 5 years with a minimum of 10 new jobs
- Tier 3 - \$1,750 credit per new job per year for 5 years with a minimum of 15 new jobs
- Tier 4 - \$1,250 credit per new job per year for 5 years with a minimum of 25 new jobs

**SPECIAL ZONES:** These smaller areas are defined as Military Zones, Less Developed Census Tracts and Georgia Opportunity Zones (which differ from the new Federal Opportunity Zones). A new job created in these zones may earn a credit of \$3,500 per year for 5 years, no matter the county location.

- Opportunity Zone and Military Zone - \$3,500 per new job per year for 5 years with a minimum of 2 new jobs
- Less Developed Census Tract - \$3,500 per new job per year for 5 years with a minimum of 5 new jobs

**PAYROLL WITHHOLDING:** JTCs may be used to lower payroll withholding obligations if the job is created in a special zone or a Tier 1 county.

**PORT TAX CREDIT BONUS:** An additional \$1,250 per job, per year for 5 years is available for taxpayers with qualified increases in shipments through a Georgia Port.

For more information about the JTC and how it can help you, contact us today:

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