

TAX & LICENSE DIVISION
515 W. Main Street ~ PO Box 1310~Bridgeport WV 26330
Phone • 304-842-8230 Fax • 304-848-6138



City of Bridgeport

Economic Incentive

Policy

Packet contains the following:

- Application for Business and Occupation Tax Credit
- Tax Credit Ordinance Citing
- Tax Credit Qualifications Defined

Monica J. Musgrave
Director of Finance
(304) 842-8232

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MEMORANDUM

RE: City of Bridgeport Tax Incentive Policy

Enclosed you will find City of Bridgeport Economic Incentive Policy packet containing a tax credit application, the Tax Credit Ordinances and definitions of the qualifications of the tax incentives.

Please complete the enclosed application and submit along with documentation to substantiate the qualifying requirements of the incentive for which you are applying.

Please refer to Bridgeport Ordinance Article §737.41 General Definitions for full description of terms used in the Qualifying Requirements section of each incentive.

Upon receipt of the application and required supporting materials, the City Manager and Finance Director will review the information. If no further documentation is required and the business is determined to be qualified for the tax credit, a letter of approval will be sent to inform the applicant of authorization and date in which the incentive will begin.

If you have questions or concerns, you may contact Monica J. Musgrave, Finance Director at 842-8232.

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CITY OF BRIDGEPORT
APPLICATION FOR BUSINESS AND OCCUPATION TAX CREDIT

I, _____ (name) of _____ (company name) as the
_____ (title) located at _____ (address) in Bridgeport, WV, hereby
apply for a Business and Occupation Tax Credit provided by the City of Bridgeport.

I will provide sufficient documentation where indicated below or otherwise requested by the City to verify
information that will aid the city in determining my eligibility for the tax credit that I am requesting. I agree to file
quarterly Business and Occupation Tax forms to the City of Bridgeport as required by city code and will reflect the
amount of tax credit taken. I also agree to provide the City with an accurate report of employee levels for the taxable
quarter in which the credit is being taken and agree to maintain sufficient records for the city's review.

I hereby acknowledge receipt of the City of Bridgeport's Tax Incentive Ordinance and believe my business qualifies
for the following tax credit program (**circle one**)

§737.35 Annexed Business §737.36 Business Enterprise Zone §737.38 Façade Improvement

Please complete the following:

Business Location: _____

Business Owner: *(name, address, phone, partners, officers, etc. attach additional sheets if necessary):*

Property Owner: *(name, address, phone ,partners, officers, etc. attach additional sheets if necessary):*

Project Description*(describe business and place of annexation, explain expansion plans or give details of façade
improvement):* _____

Cost of Project: ** _____

Date Project to Begin *(Estimated):* _____

Date of Business Expansion or Annexation *(month and year):* _____

Number of employees: ** *(at the time of annexation/or prior to expansion)* _____

Number of employees after expansion** *(for expanding businesses only)* _____

Name of contact person: _____

Business Phone #: _____ **Cell Phone #:** _____

****Attach necessary documentation to verify the stated information, i.e. copies of contracts, bills of sale, invoices,
receipts, certified payroll records, lease agreements, etc.**

Applicants signature: _____ **Date:** _____

APPROVED:

_____ Date: _____ Date: _____

City Manager

Director of Finance

TAX INCENTIVE ORDINANCE

737.35 ANNEXED BUSINESS INCENTIVES.

- (a) **Definition.** Business brought within the corporate limits of the City by way of annexation.
- (b) **Tax Credit.** The tax credit under this section consists of a credit of 90% of assessed City B&O tax generated by the annexed business for the first year and 40% for years two and three. A year, for purposes of the tax credit, is defined as the (12) twelve month period beginning the first day of the quarter the business meets the qualifications for the tax credit.
- (c) **Qualifying Requirements.**
- (1) The annexed business must have a minimum appraised value of \$500,000. This appraised value will include equipment, structures and improvements;
 - (2) The annexed business must have a minimum of five full time jobs;
 - (3) Determination by the City that the tax credit being offered will increase the likelihood of the business annexing into the corporate City limits; and
 - (4) The real property and improvements of an annexed business must have a useful life of five or more years; or must have a coinciding lease of not less than five years, or must be depreciable/amortizable tangible personal property which has a useful life of not less than five years.
- (d) **Tax Credit Computation.** Tax credits will be considered on the total gross revenues of the business operation once annexation is complete.
- (e) **Forfeiture.** If the number of full time jobs which are realized into the city limits resulting from the annexation and attributable to the tax credit falls below five, the tax credit will be forfeited for that quarter.
- (Ord. 3-03. Passed 4-28-03.)

737.36 BUSINESS ENTERPRISE ZONE INCENTIVES.

- (a) **Definition.** Any entity that locates a new business or expands an existing business in the City's B-1 Zoning District and located on U.S. Route 50 between the intersection of State Route 58 and State Route 131 which has been designated as a "Business Enterprise Zone."
- (b) **Tax Credit.**
- (1) **New business.** The tax credit under this section consists of a credit of 90% of assessed B&O tax on gross revenues the first year and 40% for years two and three. A year, for purposes of the tax credit, is defined as the (12) twelve-month period beginning the first day of the quarter the business meets the qualifications for the tax credit.
 - (2) **Expanding existing business.** The tax credit under this section consists of a credit of 90% of assessed B&O tax on qualifying gross revenues resulting from the expansion the first year and 40% for years two and three. A year, for purposes of the tax credit, is defined as the (12) twelvemonth period beginning the first day of the quarter the business meets the qualifications for the tax credit.

- (c) Qualifying Requirements.
- (1) Investment of \$20,000 minimum;
 - (2) Determination by the City that the tax credit being offered will increase the likelihood of the business locating or expanding in the City's "Business Enterprise Zone" and
 - (3) The real property and improvements of the business location or expansion must have a useful life of five or more years; or must have a coinciding lease of not less than five year; or must be depreciable/amortizable tangible property which has a useful life of not less than five years.
- (d) Tax Credit Computation. Tax credits will be considered on total gross revenues of the new business. For expanding business, qualifying revenues will be determined by taking a three year average revenue base for the three years preceding the expansion (or total business revenue if business has been in operation for less than three years) and applying the credit to all revenues which exceed this average.
(Ord. 3-03. Passed 4-28-03.)

737.38 EXTERIOR IMPROVEMENT INCENTIVES (for Business Enterprise Zone).

- (1) **INCENTIVE FOR BUSINESS OWNER/OPERATOR**
- (a) Definition. Any business entity that remodels the exterior facade or ancillary property improvements visible from U.S. Route 50 in the B-1 Zoning District and is located on U.S. Route 50 between the intersection of Lodgeville Road and State Route 131 may be eligible.
 - (b) Tax Credit. Seventy-five (75) percent Business and Occupation Tax Credit on the tax amount due for three years up to a maximum of twenty (20) percent of the investment, whichever is less, over the three year period. A year is defined as the twelve (12) month period beginning the first day of the quarter the business meets the qualification for the tax credit. There is a maximum credit of \$2,000 per approved project.
 - (c) Qualifying Requirements.
 - (1) A business entity must make application and receive approval from the City prior to making improvements.
 - (2) Successful applicants must invest a minimum of \$3,000.00 and provide verification sufficient to the City indicating the investment..
 - (3) The Director of Community Development or the City Manager shall have responsibility for approving the eligibility of these improvements.
- (2) **INCENTIVE FOR PROPERTY OWNER.**
- (a) Definition. Any property owner that remodels the exterior façade or any ancillary property improvements visible from U.S. route 50 in the B-1 zoning District and located on U.S. Route 50 between the intersection of Lodgeville Road and State Route 131 may be eligible.
 - (b) Tax Credit. a grant equal to twenty-five (25) percent of the total investment with a minimum investment of \$2,000 which will equal a \$500 reimbursement grant to a maximum of \$8,000 or above.

(c) Qualifying Requirements.

- (1) A property owner must make application and receive approval from the City prior to making improvements.
- (2) Successful applicants must invest a minimum of \$2,000.00 and provide verification sufficient to the City indicating the investment..
- (3) The Director of Community Development or the City Manager shall have responsibility for approving the eligibility of these improvements.

737.41 GENERAL DEFINITIONS.

As used herein the following terms shall mean:

- (a) "New employee" means a person who is hired and employed in a new business or annexed business who was not previously employed within the corporate limits of the City by such business. A new employee must be employed at least 160 hours per month at a wage not less than the federal minimum wage or must work for at least six months during the taxable year.
- (b) "New job" means a job which did not exist in the business of the taxpayer within the corporate limits of the City prior to a qualified investment being made, provided this job is directly attributable to the qualified investment and is filled by a new employee as defined herein.
- (c) "Infrastructure improvements" include water, sewer, storm sewer, roads, bridges, streetlights and all other utilities.
(Ord. 3-03. Passed 4-28-03.)

737.42 INCENTIVE QUALIFICATIONS.

- (a) Businesses are only eligible for one B&O tax incentive at a time.
- (b) Businesses which apply for and receive tax increment financing are not eligible for B&O tax incentives or for any other type of grant or loan.
- (c) Businesses which apply for and receive City B&O tax incentives are not eligible for tax increment financing or any other type of City grant or loan program
- (d) To qualify for any of the incentives, the applicant must make application for and receive approval for same, prior to making application for a building permit.