

★ DELAWARE STRATEGIC FUND (PERFORMANCE BASED)

Financial assistance may be provided in the form of low-interest loans, grants or other creative instruments to support the attraction of businesses that pay sustainable wages, with assistance terms that are negotiated specific to each firm's individual needs and situation. Performance is based on job creation and associated

★ DELAWARE STRATEGIC FUND (CAPITAL INVESTMENT)

Projects that require major capital investments representing targeted industries and creating new jobs with sustainable wages and benefits may qualify for cash incentives to offset major capital investments. The terms are negotiated specific to each firm's individual needs and situation with a maximum limit of 3% of Capital Expenditures

★ STATE SMALL BUSINESS CREDIT INITIATIVE – SSBCI LOAN PROGRAM

Any small business in Delaware (under 750 employees) is eligible to apply for capital and lower interest rates. Loan proceeds can be used for any business expense – including payroll, inventory, machinery and equipment and to supplement general working capital needs. DSB is authorized to fund up to 20% of this type of a loan, not to exceed \$5 million. The maximum amount of DSB's participation is \$1 million

★ WORKFORCE TRAINING GRANT

DSB can offer matching training grants for customized training up to \$100,000 per qualified project. The matching portion of the grant can be an in-kind contribution while training is customized to the company's specific needs.

★ TAX CREDITS

See State Department of Finance: <https://revenuefiles.delaware.gov/docs/402AP.pdf>
<https://revenue.delaware.gov/business-tax-forms/>

★ TAX CREDIT FOR CREATION OF EMPLOYMENT AND QUALIFIED INVESTMENT IN BUSINESS FACILITIES

Tax credits (against corporate, personal income, gross receipts and public utility taxes) for job creation and investment in Delaware. Any corporate taxpayer that makes a qualified investment (\$200,000 or more) and hires 5 or more qualified employees (\$40,000 per employee) is eligible. Businesses have to be engaged in a qualified activity and may be eligible to receive credits of at least \$500 for each qualified employee and \$500 for each \$100,000 invested. Unused credits may be carried forward. The credits can be taken each year over a ten year span but may not exceed 50% of the company's pre-credit tax liability.

★ KENT COUNTY TAX ABATEMENT

A. Any industry or business which is engaged in a qualified activity, invests at least \$500,000 in a new facility or expanded facility located in Kent County, Delaware, to be utilized for a qualified activity and hires at least four new permanent full-time employees may apply for the tax abatement benefits available under this article.

Additionally, any industry or business which invests at least \$1,000,000 in a new facility or expanded facility located in Kent County, Delaware, and hires at least 12 new permanent full-time employees may apply for the tax abatement benefits available under this article.

★ KENT COUNTY TAX ABATEMENT (CONTINUED)

B. Tax abatement benefit. The tax abatement benefit available to any industry or business which qualifies under Subsection A above shall be and is hereby defined as an abatement of Kent County real estate taxes according to the following ten-year sliding scale:

Year of Operation	Reduction	Year of Operation	Reduction
1	90%	6	40%
2	80%	7	30%
3	70%	8	20%
4	60%	9	10%
5	50%	10	0%

★ KENT COUNTY STRATEGIC FUND

Moneys appropriated to the fund may be loaned, granted or used in other financing mechanisms, as may be recommended by the Kent Economic Partnership and authorized by the Levy Court.

A. The fund may be used for the following purposes:

1. Retention and expansion of existing firms;
2. Recruitment of new firms; or
3. Formation of new businesses.

B. Moneys appropriated to the fund may be used for the following activities:

1. Working capital.
2. Renovation, construction or any other type of improvements to roads, utilities, related infrastructure and public facilities, lands and parks.
3. Assistance for equipment, machinery, land and building acquisition and development.
4. Assistance with relocation expenses.
5. Loans or loan guaranties.
6. Assistance for development of start-up strategies such as seed capital and incubator programs.

★ KENT COUNTY DDD MATCH

For Downtown Development District Projects, other than attached or detached single family dwellings, that receive grant funding from the State of Delaware, Kent County will provide a matching grant that will match every \$1.00 of State Grant Funds with \$0.50 of County Funds up to a maximum of \$10,000.

For Downtown Development District State Grants awarded for the construction or rehabilitation of attached or detached single family dwellings, Kent County will match every \$1.00 of State Grant Funds with \$0.50 of County Funds up to a maximum of \$1,500.

★ OPPORTUNITY ZONES

Opportunity Zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.