

New Company Incentive Program

No Virginia Corporate Income Tax for Eligible Companies

Eligible companies that establish a new presence in Virginia are offered a modified state corporate income tax for seven years and access to the Commonwealth's Development Opportunity Fund (COF).

Highlights

- The company must make a minimum capital investment of \$5 million in real property and create a minimum of 10 new jobs; or alternatively create a minimum of 50 new jobs
- Each new job must pay at least 1.5 times the Virginia minimum wage
- Traded sector company that derives more than 50% of its revenue from outside of Virginia
- No existing property or payroll in the Commonwealth of Virginia as of January 1, 2018
- Eligible Counties and Cities are: County of Accomack, Alleghany, Amelia, Appomattox, Bland, Brunswick, Buchanan, Buckingham, Caroline, Carroll, Charlotte, Craig, Cumberland, Dickenson, Dinwiddie, Essex, Giles, Gloucester, Grayson, Halifax, Henry, King and Queen, King William, Lancaster, Lee, Lunenburg, Mathews, Mecklenburg, Middlesex, Northampton, Northumberland, Nottoway, Page, Patrick, Pittsylvania, Prince Edward, Richmond, Russell, Scott, Smyth, Tazewell, Washington, Westmoreland, Wise or Wythe; or the City of Bristol, Danville, Galax, Martinsville, Norton or Petersburg
- Eligible companies can decrease their state corporate income tax by modifying the apportionment factor
- Eligible companies may also apply to VEDP for consideration for a discretionary grant from the Commonwealth's Development Opportunity Fund. The COF will not exceed \$2,000 per new job per year for six years, with funds split between the eligible company and its employees. The exact amount will depend on a variety of factors including return on investment analysis and the availability of funds in the COF

Process

1. The company applies to be considered an eligible company with VEDP's Division of Incentives
2. If it is determined by VEDP that the company is an eligible company under the statute, VEDP will issue a certification to the company
3. To remain an eligible company for any taxable year, a company must obtain certification or re-certification annually
4. The certification will allow the eligible company to access the tax exemption when submitting their annual tax return to Virginia Department of Taxation
5. The company can now apply for a COF grant under the eligibility criteria of this program

Additional Information

The VEDP team is ready to assist you with the process. For more information, eligibility requirements, and FAQs, visit: VEDP.org/incentives

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