

# Governor Signs InvestNJ Legislation

DECEMBER 22, 2008

## BE IN A POSITION OF STRENGTH

On Tuesday, December 9, 2008, Governor Corzine Signed into law the InvestNJ Business Grant Program. This program will be administered by the New Jersey Economic Development Authority and is comprised of two important components. The first component is the job creation component and the second is the capital investment grant component.

The job creation component will provide an incentive to qualified businesses that have operated continuously in New Jersey for at least the prior two years and employ at least five full-time workers. The program will provide a \$3,000 grant to those qualified New Jersey businesses for each new job created after December 1, 2008 and before January 1, 2011. In order to qualify, the jobs must provide health care coverage and be retained for one year, and the business must have experienced a net increase in employment of eligible positions during the same 12 consecutive months. This component will provide up to \$50 million in incentives, not to exceed \$500,000 per grantee. Businesses already benefitting from some other New Jersey business incentive programs will not be eligible for this program.

The capital investment grant component authorizes the payment of grants equal to 7% of a business's qualifying capital investment of at least \$5,000 made prior to January 1, 2011. Similar to the job creation component, in order to be eligible, a business must have operated continuously in New Jersey for at least the prior two years and must employ at least five full-time workers. This program provides up to \$70 million, with a limit of \$1 million per grantee. Of the \$70 million, \$50 million will provide grants for expenses for site preparation, construction, renovation, improvement or equipping a newly constructed, renovated or improved building. The remaining \$20 million will be allocated for obtaining and installing fixtures, machinery or equipment in a building.

*If you have any questions, please contact the WS+B tax department.*

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### EXECUTIVE SUMMARY: NJ INTRODUCES NEW INCENTIVES

Questions or comments?

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