ENTERPRISE ZONE BUSINESS REGISTRATION (EZB-R) – FOR CALENDAR YEAR 2009

State Form 50469 (R7 / 12-09)
Approved by State Board of Accounts, 2009
INDIANA ECONOMIC DEVELOPMENT CORPORATION (IEDC)

The information on this form is confidential according to IC 5-28-15-8.

First time filing ☐ Yes ☐ No

INSTRUCTIONS (Please see page 2 for detailed, line-by-line instructions.):

1. ***Please print legibly or type. Please complete each section entirely.***
2. *A zone business that accesses at least one (1) tax credit or exemption shall submit to the IEDC this verified summary of the amount of the tax credits and exemptions claimed by the business in 2009* ***postmarked no later than June 1, 2010****. If a zone business cannot comply with this date, it must apply for an extension to the IEDC utilizing the approved EZB-E form* ***postmarked no later than June 1, 2010****. If an extension is approved, this EZB-R registration form and fees must be submitted* ***postmarked no later than July 15, 2010****.*

PART I - GENERAL INFORMATION

1. Name of business	2. Telephone number ( )
3. Mailing address (*number and street, city, state, and ZIP code*)	
4. Zone address (*number and street, city, state, and ZIP code*)	
5. Social Security Number or Federal Identification number	6. Legal business form *(check one)* ☐ "C" Corporation ☐ "S" Corporation ☐ Partnership ☐ Sole Proprietorship
7. Average Level of Employment at the Zone Location During Calendar Year 2009	
8. Average Level of Employment of Zone Residents at the Zone Location During Calendar Year 2009	
9. Total Wages and Salaries at the Zone Location During Calendar Year 2009	
10. Total Wages and Salaries of Your Zone Resident Employees During Calendar Year 2009	
11. Number of Enterprise Zone Qualified Employee Certificates (IT-40QEC) Issued for the Calendar Year	
12. Total New Jobs Created at the Zone Location During Calendar Year 2009	
13. Total New Jobs Filled by Zone Residents During Calendar Year 2009	

PART II - TAX SAVINGS SUMMARY

14. Total Enterprise Zone Investment Deduction	
15. Total Employment Expense Credit (from Part II, Schedule EZ)	
16. Total Loan Interest Credit (from Schedule LIC, Attach Copy)	
17. Total Tax Savings (sum of Lines 14 through 16)	0.00

PART III - REGISTRATION FEE AND ELIGIBILITY

18. Registration fee	

If the total on Line 17, Part II, exceeds $1,000, multiply the total on Line 17 by .01 and remit the registration fee with the original EZB-R form to: ***Indiana Economic Development Corporation, Indiana Enterprise Zone Program, One North Capitol, Suite 700, Indianapolis, IN 46204-2288.***
In 2009, a zone business is required by law to use all its tax-saving incentives, except for the registration fee, for its property or employees in the zone. In addition to the registration fee paid under (a)(4) of IC 5-28-15-5, each zone business that receives a credit under this chapter shall assist the urban enterprise association in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist an urban enterprise association, the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses.

19. Financial Compliance to the local Urban Enterprise Association	
20. New Capital Investment in Enterprise Zone for the 2009 Calendar Year:	
A. Building Renovation or Improvements	
B. New Equipment	
21. Total Increased Zone Resident Employee Wages and Salaries or Other Compensation for 2009 Calendar Year	
22. Total (Sum of Lines 18, 19, 20A, 20B, and 21)	0.00

The sum of all lines in Part III must equal or exceed the amount in Part II, Line 17 to avoid disqualification from eligibility of enterprise zone incentives.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of corporate / firm officer		Date (*month, day, year*)
Printed name of corporate / firm officer	Title of corporate / firm officer	
Signature of preparer		Date (*month, day, year*)
Printed name of preparer		Telephone number of preparer ( )
Address of preparer (*number and street, city, state, and ZIP code*)		

DISTRIBUTION: Original – IEDC; Copy – Send to local UEA; Copy – Keep for your records

INSTRUCTIONS FOR COMPLETING THE EZB-R

Part of State Form 50469 (R7 / 12-09)

Part I General Information

Line 1: Enter legal name of the business.
Line 2: Enter the business telephone and fax number (including area code).
Line 3: Enter the mailing address of the business.
Line 4: Enter the address of the business location in the enterprise zone or inventory location.
Line 5: Enter the Social Security number or the federal identification number of the business.
Line 6: Check the appropriate organizational form of the business.

Line 7: List the total number of employees at the zone location on the 15th day of each month, add the column, divide by 12 and enter the number on line 7.

Example for line 7:

Date	Employees
January 15	30
February 15	30
March 15	30
April 15	30
May 15	30
June 15	45
July 15	45
August 15	45
September 15	25
October 15	25
November 15	30
December 15	30
Year Total	395

395 ÷ 12 = 32.9 Enter 32.9 on line 7

Line 8: List the total number of zone residents employed at the zone location on the 15th day of each month, divide the resulting figure by 12 and enter the number on line 8 (*see example in line 8 instructions*). **Every participating business must complete this line, even if your business does not utilize the hiring tax credits.**
Line 9: Enter the total of all wages and salaries paid at the zone location for the calendar year for which you are filing.
Line 10: Enter the total wages and salaries paid to zone resident employees at the zone location for the calendar year for which you are filing.
Line 11: Enter the total number of Enterprise Zone Qualified Employee Certificates (IT-40QEC) issued for the calendar year for which you are filing.
Line 12: Enter the total number of new jobs created at the zone location during the calendar year for which you are filing.
Line 13: Enter the total number of new jobs filled by zone residents during the calendar year for which you are filing.

Part II Tax Savings Summary

If you are a new business or have no tax savings to report for the calendar year for which this form applies, please skip to Part III of this form.

Line 14: Enter the total Enterprise Zone Investment Deduction.
Line 15: Enter the employment expense credit amount from Schedule EZ.
Line 16: Enter the loan interest credit amount from Schedule LIC.
Line 17: Add the amounts in Lines 14-16 and enter amount.

Part III Registration Fee and Eligibility

Line 18: If the total on line 17, Part II exceeds $1,000, multiply the amount by .01 and enter that amount on this line. If a zone business receives tax-saving incentives in excess of $1,000 in any year, the business **MUST** pay an annual registration fee of one percent (1%) of its tax savings to the INDIANA ECONOMIC DEVELOPMENT CORPORATION, or be denied credits and incentives, and disqualified from further participation according to IC 5-28-15-7. **REMIT THE AMOUNT ON THIS LINE WITH THE ORIGINAL EZB-R TO:** INDIANA ECONOMIC DEVELOPMENT CORPORATION, One North Capitol, Suite 700, Indianapolis, IN 46204-2288.
You must still submit an EZB-R even if your business does not owe a registration fee!
Line 19: Multiply the amount on line 17, Part II of this form by the local UEA rate and enter that amount on this line (*please contact the local UEA to determine the rate*). **REMIT THE AMOUNT ON THIS LINE TO THE LOCAL UEA WITH A COPY OF THIS EZB-R.**
Line 20: New Capital Investment for the Calendar Year
A. Enter the total dollar amount spent in the calendar year for zone business renovation and improvements at the zone location.
B. Enter the total dollar amount spent in the calendar year for new equipment at the zone location.
Line 21: Enter the amount of zone resident employee wages for the calendar year that exceeds each taxpayer's base period qualified wages **AND/OR** the total dollar amount spent on employee training.
Line 22: Add lines 18, 19, 20A, 20B, and 21 enter that amount on this line.

Signature Lines

Corporate/firm officer must sign this form and print name below written signature. ***Failure to sign and print name and title may delay processing and may result in your form being returned to you.*** If someone other than the corporate/firm officer prepared this form, their name, signature, address and telephone number are required.

GENERAL EZB-R QUESTIONS

Part of State Form 50469 (R7 / 12-09)

Who should file the EZB-R?: Any zone business or entity that claims any of the incentives available to zone businesses must submit to the Indiana Economic Development Corporation (IEDC) a verified summary of the amount of tax credits and exemptions claimed by the business in the preceding year. Failure to file an EZB-R while claiming an exemption or credit will result in denial of the tax credits and exemptions available and disqualification from further participation in the enterprise zone program.

When should the EZB-R be filed?: Any entity that accesses one or more Enterprise Zone tax incentives is required to file a registration form with the IEDC **postmarked no later than June 1 of each year**. This means that forms must be postmarked by the post office, ***not meter-dated or faxed***.

What if a business cannot meet the June 1 filing deadline?: If the June 1 date cannot be met, the extension form should be filed to provide additional time to complete the registration form. The registration extension form (EZB-E) is due **postmarked no later than June 1**. The IEDC may approve an extension time of up to 45 days. (If approved, the EZB-E will be returned with "APPROVED" stamped on it. Please attach an approved EZB-E to the EZB-R.)

What if I miss the June 1 deadline to file an extension?: If a business misses the June 1 deadline to file an extension, **the business has 45 days to submit the EZB-R form AND pay a 15% penalty to the IEDC**. The 15% penalty is based on the total tax savings of the business for the tax year.

What if I do not know what my tax savings is by June 1st or July 15th?: If the business does not know their tax savings by June 1, they should file an extension (EZB-E) by June 1, which will enable them to file the EZB-R form by July 15. If the business still will not know the tax savings by July 15, an EZB-R form is still due by July 15; however, the form will be incomplete. As soon as the tax savings amount is known, the business must submit a complete EZB-R form (and if applicable) send a check for 1 percent of the tax savings to the IEDC.

What if a business has several locations?: A separate form is required for each zone business or entity claiming an exemption or credit. If the business has more than one location or subsidiary, a separate registration form must be filed for each business location.

Who should receive the EZB-R form?: The revised EZB-R is a single form with instructions on the reverse side.
The original form (with the original signatures) must be sent to the IEDC. The original form should be accompanied with a registration fee (if tax savings are greater than $1,000). The registration fee is equaled to a zone business' total tax savings multiplied by 0.01. In addition, a copy must be mailed to the local Urban Enterprise Association along with the contribution check in accordance with the rate set by the city council of a particular zone. This contribution is separate from an in addition to the registration fee that is sent to the IEDC. Please contact your local UEA to obtain information about its contribution rate. Finally, the participating business should keep one copy of the EZB-R for their records.

Please note the following:

- Any information omissions on the registration form may delay processing.
- A corporate or firm officer must sign the registration form.
- The registration fee **must** accompany the registration form.
- If the EZB-R is returned for completion, omission of check, or correction, the business has **45 days in which to return the corrected EZB-R**.

APPLICATION FOR EXTENSION OF TIME TO FILE INDIANA EZB-R

State Form 50468 (R5 / 12-09)
Approved by State Board of Accounts, 2007
INDIANA ECONOMIC DEVELOPMENT CORPORATION (IEDC)

FORM EZB-E

INSTRUCTIONS:

1. *This form is an application for an extension of time to file Indiana form EZB-R (Enterprise Zone Business Registration form). The Indiana Economic Development Corporation may grant an extension of not more than forty-five (45) days to file the EZB-R. A zone business must apply for an extension to the Board on this form* ***POSTMARKED NO LATER THAN June 1, 2010.***
2. *Please return this form with* ***APPROVED*** *stamped on it, if approved for an extension by the IEDC.*
3. *Attach the approved extension to the EZB-R.*
4. *The EZB-R registration form and fees* ***MUST BE POSTMARKED NO LATER THAN July 15, 2010.*** *Failure to file this form or EZB-R in a timely manner may result in monetary penalty, denial of tax savings, and disqualification from the program.*
5. *Mail to:*

Indiana Economic Development Corporation
Indiana Enterprise Zone Program
One North Capitol, Suite 700
Indianapolis, IN 46204-2288

INFORMATION ABOUT THE APPLICANT

Name of business			Federal Identification number
Mailing address (*number and street*)			
City	State		ZIP code
Zone address (*number and street*)			
Zone city	Zone state	Zone ZIP code	Telephone number ( )

TO BE COMPLETED BY THE APPLICANT

1. Total expected tax savings for calendar year 2009	$
2. Total fee you expect to owe the state this year	$
3. Total estimated new capital investment for calendar year 2009	$
4. Was an EZB-R filed last year ☐ Yes ☐ No	If no, is this a first time filing? ☐ Yes ☐ No

CERTIFICATION

Under penalties of perjury, I (we) declare that to the best of my (our) knowledge and belief, the statements made herein are true and complete.

Signature of firm or corporate officer	Title
Name of firm or corporate officer (*please print*)	Date (*month, day, year*)

ENTERPRISE ZONE INVESTMENT DEDUCTION APPLICATION

State Form 52501 (R3 / 12-09)

Prescribed by the Department of Local Government Finance

FORM EZ-2

PRIVACY NOTICE: The records in this series are confidential according to I. C. 6-1.1-35-9.

GET COUNTED IN 2010! Learn more at www.census.indiana.edu.

INSTRUCTIONS:

1. *This form is to be filed with the auditor of the county in which property is located on the assessment date [IC 6-1.1-45-10(a)].*
2. *This form is to be filed between March 1, and May 15, of the assessment year to obtain the deduction.*
3. *The county auditor may grant not more than a thirty (30) day extension if a written application is given before May 15th [IC 6-1.1-45-10(c)].*
4. *This form may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing [IC 6-1.1-45-10(a)].*
5. *If this form includes a deduction claim for personal property, a copy of the current assessment year Business Tangible Personal Property Assessment return (Form 102 or 103) must be attached.*
6. *County auditor must notify the applicant of the above determination before August 15, of the assessment year.*
7. *If the applicant is in disagreement with county auditor's determination, the applicant may appeal for a review of the determination by filing a complaint in the office of the clerk of the circuit or superior court not later than forty-five (45) days after the county auditor gives the applicant notice of the determination.*

PROPERTY DESCRIPTION

Name of taxpayer		Federal identification number	
Address of taxpayer *(number and street, city, state, and ZIP code)*			
Address of property *(number and street, city, state, and ZIP code)*			
DLGF Taxing District number	Township	County	Date of assessment March 1, 20_____

SCHEDULE A - To be completed for the current assessment year if a qualified investment occurred.

1	2	3	4	5	6
PROPERTY CLASS	TYPE OF QUALIFIED INVESTMENT	BASE YEAR	BASE YEAR ASSESSED VALUE	FIRST YEAR ASSESSED VALUE	AMOUNT OF DEDUCTION[2] *(Column 5 - Column 4)*
Real property	Purchase of an existing building[1]				
Real property	Construction of a new building[1]				
Real property	Repair/rehabilitation/modernization of existing building[1]				
Real property	Onsite infrastructure improvement[1]				
Personal property	Purchase of new manufacturing or production equipment				
Personal property	Retooling of existing machinery				
				CURRENT YEAR DEDUCTION[2] =	1/11

[1] To be determined by the assessor.
[2] This deduction amount will stay the same for a ten (10) year period [IC 6-1.1-45-9(a)].

SCHEDULE B - To be completed each year a deduction is claimed.

	ASSESSMENT YEAR	AMOUNT OF DEDUCTION *(from Schedule A)*	SOURCE
Year 1			Schedule A from this form
Year 2			Schedule A from one (1) year ago
Year 3			Schedule A from two (2) years ago
Year 4			Schedule A from three (3) years ago
Year 5			Schedule A from four (4) years ago
Year 6			Schedule A from five (5) years ago
Year 7			Schedule A from six (6) years ago
Year 8			Schedule A from seven (7) years ago
Year 9			Schedule A from eight (8) years ago
Year 10			Schedule A from nine (9) years ago
	TOTAL DEDUCTION CLAIMED =	1/11	

CERTIFICATION STATEMENT

I hereby certify that the above named taxpayer is liable for property taxes at the above listed location on the indicated assessment date. I also certify that: (1) on the indicated assessment date, the property was in an enterprise zone designated by the Enterprise Zone Board and (2) the property is entitled to an investment deduction pursuant to IC 6-1.1-45.

Authorized signature of owner or representative		Date signed *(month, day, year)*
Printed name of signatory	Title	Telephone number ( )
Full mailing address of owner or representative *(number and street, city, state, and ZIP code)*		

DO NOT WRITE HERE – FOR USE BY COUNTY AUDITOR ONLY

I, Auditor of the county named below, hereby certify that this claim for deduction was filed with this office on the date noted below, and having been referred this application, do hereby make the following determination:

Signature of County Auditor	County	Date filed (*month, day, year*)
Approved amount of assessed value deduction for March 1, 20_____, payable in 20_____:		Amount

IF DEDUCTION WAS DENIED PARTIALLY OR IN TOTAL, AUDITOR MUST COMPLETE THIS SECTION

1. If approved amount is different than amount claimed on Schedule B on the front of this form, explain.

2. This claim is being denied in total due to one of the following reasons:

- ☐ Application was not timely filed in accordance with instruction 2 above.
- ☐ Business is not located within established enterprise zone boundary.
- ☐ Other (explain) _____

The following are sections of the statutes that are frequently referred to. To view the complete section of the statutes concerning the Enterprise Zone Investment Deduction, go to Indiana Code 6-1.1-45.

IC 6-1.1-45-2 "Base year assessed value"
"Base year assessed value" equals the total assessed value of the real and personal property assessed at an enterprise zone location on the assessment date in the calendar year immediately preceding the calendar year in which a taxpayer makes a qualified investment with respect to the enterprise zone location.

IC 6-1.1-45-9 (a) Eligibility for deduction; amount;
A taxpayer that makes a qualified investment is entitled to a deduction from the assessed value of the taxpayer's enterprise zone property located at the enterprise zone location for which the taxpayer made the qualified investment. The amount of the deduction is equal to the remainder of:

1. the total amount of the assessed value of the taxpayer's enterprise zone property assessed at the enterprise zone location on a particular assessment date; minus
2. the total amount of the base year assessed value for the enterprise zone location.

IC 6-1.1-45-10 (c) Extension
The county auditor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's application if:

1. the taxpayer submits a written application for an extension before May 15 of the assessment year; and
2. the taxpayer is prevented from filing a timely application because of sickness, absence from the county, or any other good and sufficient reason.

IC 6-1.1-45-10 (d) Waiver
An urban enterprise association created under IC 5-28-15-13 may by resolution waive failure to file a: (1) timely; or (2) complete; deduction application under this section. Before adopting a waiver under this section, the urban enterprise association shall conduct a public hearing on the waiver.

IC 6-1.1-45-11 (b) Appeals
A person may appeal the determination of the county auditor by filing a complaint in the office of the clerk of the circuit or superior court not later than forty-five (45) days after the county auditor gives the person notice of the determination.

Indiana Schedule EZ 1, 2, 3 Instructions
For Tax Years 2008-2010

General Information

Taxpayers doing business within an enterprise zone and remaining in good standing with the Indiana Economic Development Corporation (IEDC) may qualify for an adjusted gross income or financial institution tax credit. Use EZ schedules to determine the amount of income tax liability credit for qualified employment expense.

Part 1 A & B - Taxpayers with any business activity or income derived from sources both within and outside an enterprise zone may be required to allocate and apportion their income. Use designated Part 1A of Schedule EZ to determine the apportionment percentage for enterprise zone income. **Note:** A taxpayer is exempt from the allocation and apportionment provision if it:

(1) Does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
(2) Is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone.

In such cases the taxpayer will attribute all income to the zone.

Part 2 - Use Part 2 of Schedule EZ to determine the tax credit for qualified increased enterprise zone employment expenditures. If the calculated employment expense credit exceeds the qualified state tax liability, you also must complete Part 3.

Part 3 - Use Part 3 of Schedule EZ to claim a carryover of employment expense credit and to record the remaining amount of unused credit.

The certification at the bottom of Part 1B must be signed by any taxpayer using either Part 1 or Part 2 of the schedule. Taxpayers doing business in more than one enterprise zone should complete a separate schedule for each zone if there are different base years. Refer to the detailed instructions for each part. For more information, see Income Tax Information Bulletin #66.

Part 1A - Apportioned Enterprise Zone Adjusted Gross Income for Employment Expense Tax Credit

If the income of a taxpayer is derived from sources both within and outside an enterprise zone, the adjusted gross income attributed to the zone must be determined by use of an apportionment formula unless written permission from the Department of Revenue is granted or the statute exempts the taxpayer.

Line 1 (a)(b)(c)(d)(e) - Property Factor: The property factor is a fraction. The numerator is the average value during the tax year of real and tangible personal property within the zone (including rental property), and the denominator is the average value during the tax year of such property everywhere. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at eight times the net annual rental rate, less any annual rental received by the taxpayer from sub-rentals. The average value of property will be determined by averaging the values of the beginning and the end of the tax period. If the values have fluctuated, the averaging of monthly values may be necessary to properly reflect the average value of the property factor for the tax period. Attach a schedule showing how these average values were computed.

Total Property Factor: Divide property value total of column A by column B and enter as a percent on line 1 of column C.

Line 2 - Payroll Factor: The payroll factor is a fraction. The numerator is the total wages, salaries, and other compensation paid to employees for services rendered the business in the zone, and the denominator is the total of such compensation for services rendered the business everywhere. Compensation is paid in a zone if (a) the individual's service is performed entirely within the zone; (b) the individual's service is performed both within and outside the zone, but the service performed outside the zone is incidental to the individual's service within the zone; (c) some of the service is performed in the zone and

(1) The base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the enterprise zone, or
(2) the individual's residence is in the enterprise zone. Payments to independent contractors and others not classified as employees are not included in the factor.

Total Payroll Value: Divide payroll value total of column A by column B and enter as a percent on line 2 of column C.

Line 3 (a) (b) (c) (d) - Receipts Factor: The gross receipt's factor is a fraction. The numerator is the total receipts of the taxpayer in the zone during the tax year, and the denominator is the total receipts of the taxpayer everywhere during the tax year. The numerator of the receipt's factor must include all sales made in the zone, sales made from the zone to the U.S. government, and sales made from the zone to a state that does not have jurisdiction to tax the activities of the seller.

For purposes of the employment expense credit, the numerator will also contain intangible income attributed to Indiana including interest from consumer and commercial loans, installment sales contracts, and credit/debit cards as prescribed under Indiana Code (IC) 6-3-2-2.2.

Total receipts include gross sales of real and tangible personal property less returns and allowances. Sales of tangible personal property are in a zone if the property is delivered or shipped to a purchaser within the zone regardless of the f.o.b. point or other conditions of sale or if the property is shipped from an office, store, warehouse, factory, or other place of storage in a zone and the taxpayer is not taxable in the state of the purchaser.

Sales or receipts not specifically assigned above will be assigned as follows:

(1) Gross receipts from the sale, rental, or leases of real property are in a zone if the real property is in the zone;
(2) Gross receipts from the rental, lease, or licensing the use of tangible personal property are in a zone if the property is in the zone. If the property was both within and outside the zone during the tax year, the gross receipts are considered in the zone to the extent the property was used in the zone;
(3) Gross receipts from intangible personal property are in a zone if the taxpayer's commercial domicile is in the zone and such property has not acquired a business situs elsewhere; and
(4) Gross receipts from the performance of services are in a zone if the services are performed in the zone. If such services are performed partly within and partly outside the zone, part of the gross receipts from the performance of the services will be attributed to the zone based upon the ratio of direct costs incurred in the zone to the total direct costs of the services, unless the taxpayer can directly attribute the service to the zone.

Sales to the United States Government: The United States government is the purchaser when it makes direct payment to the seller. A sale to the United States government of tangible personal property is in a zone if it is shipped from an office, store, warehouse, or other place of storage in the zone. Refer to the previous guidelines for sales other than tangible personal property if such sales are made to the United States government.

Total Receipts: Add receipts factor lines (a) through (d). Also enter receipts everywhere in column B.

Adjusted Receipts Percent Within Zone: Divide the receipt total in column A by the total from column B.
Enter the quotient in the space provided and multiply this amount by one of the following factor values that is in effect during the four-year phase-in period:

- Factor of **3** for taxable years beginning after December 31, 2006 and before January 1, 2008;
- Factor of **4.67** for taxable years beginning after December 31, 2007 and before January 1, 2009;
- Factor of **8** for taxable years beginning after December 31, 2008 and before January 1, 2010;
- Factor of **18** for taxable years beginning after December 31, 2009 and before January 1, 2011.

Enter the result in line 3 of column C.

Line 4 - Total Percent: Add entries from lines 1, 2, and 3 of column C. Enter the sum.

Line 5 - Apportionment Percentage: To determine the apportionment percentage of enterprise zone income, for purposes of the employment expense, the total value of the denominator for tax periods beginning after Dec. 31, 2006 varies according to the following phase-in schedule:

- For a tax period that begins in 2007, divide line 4 by **5**;
- For a tax period that begins in 2008, divide line 4 by **6.67**;
- For a tax period that begins in 2009, divide line 4 by **10**;
- For a tax period that begins in 2010, divide line 4 by **20**.

The payroll and property factors are each valued as a total factor of one in the apportionment formula. In instances in which there is a total absence of one of these factors (e.g., no payroll anywhere), divide the sum of the percentages by the number of the remaining factor values present in the apportionment formula.

Examples: In the case of a taxpayer that lacks either the payroll or property factor in the three-factor formula, the taxpayer's business income will be apportioned by using the remaining factor or factors. For 2007, divide line 4 by four (4). The denominator is the remaining value of the payroll (1) or property (1) factor plus the value of the receipts (3) factor for 2007.

If both the payroll and property factors are absent, divide line 4 by three (3) for 2007. This denominator is the value of the receipts factor.

If the receipts factor (line 3) is absent (e.g., for a start-up company), you must divide line 4 by two (2). The denominator is the total value of the payroll and property factors for 2007.

Part 1 B - Allocated Non-business Enterprise Zone Income for Employment Expense Tax Credit
Complete this part if you are apportioning gross receipts and are excluding any income that is considered non-business income.

Lines (1) and (2): Interest (long-term) and dividends from non-business sources are allocable to an enterprise zone if the taxpayer's commercial domicile is in the zone. Dividends from foreign sales corporations (FSC or DISC) are treated as business income and must be apportioned.

Line (3): Net capital gains or losses (sales price less acquisition cost) from the sale of non-business personal property are allocated to an enterprise zone if the property had its primary business location in the zone at the time of the sale or the taxpayer's commercial domicile is in the zone. Include net capital gain or loss from the sale or exchange of all real property located in an enterprise zone not used in the production of business income.

Line (4): Rents and royalties from tangible personal property are allocated to an enterprise zone if the property is located in the zone and is non-business related.
Gross rents and royalties from non-business-related tangible personal properties are allocated to an enterprise zone to the extent the property is located or utilized in the zone.

(a) The extent of utilization is determined by multiplying the rents and royalties by a fraction. The numerator is the number of days of physical location of the property in the zone during the rental or royalty periods in the tax year. The denominator is the number of days of physical location of the property everywhere during the rental or royalty periods in the tax year.
(b) Such rents and royalties are wholly allocated to an enterprise zone if the taxpayer's commercial domicile is in the zone.

Line (5): Patents and copyrights and royalties from intangible property not related to the production of business income are allocated to an enterprise zone to the extent they are utilized by the taxpayer in the zone or the taxpayer's commercial domicile is in the enterprise zone.

A patent is utilized in a zone to the extent the taxpayer employs it in production or other processing in the zone or produces a patented product in the zone.

A copyright is utilized in a zone to the extent printing or other publications originated in the zone.

Line (6): Other non-business income: Add other non-business income not provided for in lines 1 through 5. Explain other non-business income on a separate schedule and attach it to the return.

Line (7): Enter in column A apportioned Indiana income, as modified, from Form IT-65 Schedule IN K-1, and any portion of tiered partnership income attributed to the zone. Enter in column B the total non-unitary partnership and tiered partnership income reported on the federal return.

Line (8): Enter all related non-business expenses other than state income taxes.

Line (9): Net non-business and non-unitary partnership income or loss: Add lines 1 through 7; subtract line 8 for each column.

Part 2 - Enterprise Zone Employment Expense Tax Credit Calculation
IC 6-3-3-10 provides a tax liability credit to certain enterprise zone employers. The credit is the lesser of 10 percent of the increase in wages paid to qualified employees or $1,500 multiplied by the number of qualified employees. A qualified employee is an individual who:

(1) Has a principal place of residence in the enterprise zone in which he or she is employed;
(2) Performs services of which 90% are directly related to the conduct of the taxpayer's trade or business located in an enterprise zone;
(3) Performs at least 50% of his or her service for the taxpayer in the zone; and
(4) In the case of an individual who is employed by a taxpayer that is a pass-through entity, was first employed by the taxpayer after Dec. 31, 1998.

Except for employers who are defined as "pass-through entities," an increase in wages is determined by subtracting wages paid to employees that could qualify in the base year from wages paid to qualified employees in the current tax year. The base year is the 12-month period immediately preceding the month in which an enterprise zone is established. Divide the annual base period qualified EZ employee wages by 12 to find the monthly base period wages.

Taxpayers whose tax years do not coincide with the designation of an enterprise zone must prorate their qualified wages for the period after designation. For the year in which an enterprise zone is designated, fiscal year taxpayers should prorate their qualified wages.

Enterprize Zone	Base Year
Bedford	12 months preceding Feb. 1, 1993
Bloomington	12 months preceding Feb. 1, 1992
Connersville	1994
East Chicago	1988
Elkhart	1998
Evansville	1983
Ft. Harrison Reuse Authority	12 months preceding Dec.1, 1997
Ft. Wayne	1983
Frankfort	2002
Grissom Aeroplex	1995
Hammond	1984
Indianapolis	1989
Jeffersonville	1999
Kokomo	1989
Lafayette	12 months preceding Feb. 1, 1993
La Porte	2001
Marion	1992
Michigan City	1983
Mitchell	2000
New Albany	1999
Richmond	1983
River Ridge Development Authority	12 months preceding Feb. 1, 1998
Salem	2002
South Bend	1983
Vincennes	2001

Use this list to look up contact information for a particular enterprise zone: www.in.gov/dor/3619.htm

See enterprise zone maps at: www.in.gov/dor/3619.htm

Qualified state tax liability means each taxpayer's total income or financial institution tax liability incurred under:
(1) IC 6-3-1 through 6-3-7 (state adjusted gross income tax) with respect to enterprise zone adjusted gross income;
(2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and
(3) IC 6-5.5 (financial institutions tax) as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before this credit.

Pass-through entity means a:
(1) Corporation that is exempt from adjusted gross income tax under IC 6-3-3-3.8(2);
(2) Trust;
(3) Limited liability company; or
(4) Limited liability partnership.

If a pass-through entity is entitled to a credit but does not have a state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass-through entity is entitled to a pro rata share of the computed tax credit.

If the credit exceeds the taxpayer's qualified state tax liability for the taxable year, the taxpayer can carry any excess credit back three years and forward up to ten years until the enterprise zone terminates.

Caution: An eligible enterprise zone employer for purposes of the employment expense credit cannot be a governmental agency or nonprofit organization (with no unrelated tax liability).

For additional information, get Income Tax Information Bulletin 66 at www.in.gov/dor/3650.htm Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8800, or visit their Web site at www.in.gov/iedc for more information.

Line 1: Enter base period year. For a pass-through entity, enter 1999. Enter on line 1a the amount of base period wages paid; except for pass-through entities, base period wages will be zero (0). Enter on line 1b the amount of wages paid to qualified employees during the current year. However, pass-through entities must enter the amount of wages paid to only qualified employees, newly hired since 1999, during the current tax year. Wages paid to otherwise qualified employees who were already employed by the pass-through entity before Jan. 1, 1999, may not be included.

Line 3: Enter a figure based on the number of qualified employees during the tax year. Caution: Employers who are pass-through entities may count only those qualified employees who were first employed by the entity after Dec. 31, 1998.

Line 6: Taxable income, for purposes of the credit, is federal taxable income (before net operating loss deduction) with all applicable Indiana modifications. However, an S corporation with passive income or built-in gains tax liability must enter the amount computed on Schedule B of Form IT-20S. Employers not subject to the apportionment and/or allocation method of computing zone income should disregard lines 7 through 12 and enter Indiana net taxable adjusted gross income from zone sources on lines 6 and 13. Domestic insurance companies paying

insurance premium tax, financial institutions, pass-through entities with no tax liabilities must enter zero and go on to line 15.

Line 12: Taxpayers whose Indiana adjusted gross income is totally eliminated by a net operating loss deduction will have no enterprise zone adjusted gross income tax and should enter zero on line 14. Taxpayers whose Indiana adjusted gross income is partially offset by a net operating loss deduction must determine the portion of the loss attributable to an enterprise zone source. Separately complete the apportionment Schedule EZ, Part 1 applicable to the loss year. Multiply the remaining net operating loss deduction used in the current year by this percentage, and enter the product on line 12 as a positive figure.

Line 14: Multiply line 13 by the individual tax rate of 3.4 percent with respect to "enterprise zone adjusted gross income." A corporate entity must use the tax rate of 8.5 percent. **Exception:** If the corporate entity is doing business in a Qualified Military Base Enhancement Area (MBEA), use the applicable tax rate of 5 percent to the extent that your taxable zone income is from MBEA activity.

Line 15: The entry on this line represents total qualified state tax liability. Taxpayers filing Form IT-20 must enter the amount from line 14. Financial institution taxpayers must enter net financial institution tax due (line 29 of Form FIT-20) reduced by other nonrefundable state tax credits. Domestic insurance companies should enter the portion of premium tax attributed to the enterprise zone.

Line 16: This is the credit available for the current year plus any applied credit carryover. A pass through entity without any current year income tax liability may pass through to each of its members their pro rata share of credit from line 5 plus any unused carryover.

Line 17: When the total credit (on line 5) exceeds the current year qualified state tax liability (on line 15), the taxpayer may carry the excess back and/or forward against computed state income tax liabilities derived from the enterprise zone. Refer to the instructions for Part 3.
Note: A taxpayer is not entitled to a refund of any unused credit.

Part 3 - Employment Expense Tax Credit Carryover for Enterprise Zone Tax Liability

When the enterprise zone employment expense credit exceeds the taxpayer's qualified state tax liability for the tax year, the remaining credit may be carried back three years and applied to each year whether or not a credit is utilized, and/or carried forward up to ten years until the enterprise zone terminates.

The application of the credit, when carried over, must be shown on Schedule EZ, Part 3. A copy of this schedule should be attached to any return on which the taxpayer is applying the credit. A separate schedule should be completed when a credit is available from more than one tax year.

Note: The amount of credit applied is generally limited to the qualified state tax liability, which is based on the tax on income derived from the enterprise zone.

State Form 49178 (R3/8-08)

Indiana Department of Revenue

Schedule EZ 1, 2, 3 (For Tax Years 2008-2010)

Tax Year Ending: Month_____ Year _____

Part 1 A — To Determine Enterprise Zone Adjusted Gross Income for Employment Expense Tax Credit (Effective beginning 2007)

Name	Federal Identification Number

This schedule must be completed by taxpayers having income from sources both within and outside the zone, who are not otherwise exempt from the allocation and apportionment provisions for determining enterprise zone adjusted gross income.

(Enter percent to two decimals, e.g., 67.89%)

	Column A Total Within the Zone	Column B Total Within and Outside the Zone	Column C Percent Within the Zone
1. **Property Factor** Average value of owned property from the beginning and the end of the tax year (Value of real and tangible personal property at original cost)			
(a) Property reported on federal tax return (average value for tax year)			
(b) Fully depreciated assets still in use at cost (average value for tax year)			
(c) Inventories, including work in progress (average value for tax year)			
(d) Other tangible personal property (average value for tax year)			
(e) Rented property (8 times the annual rental)			
Total Property Values: add lines (a) through (e)			1 . %
2. **Payroll Factor** Wages, salaries, commissions, and other compensation of employees and pro-rata share of payroll reportable on return			
Total Payroll Value:			2 . %
3. **Receipts Factor** (less returns and allowances):			
(a) Sales delivered or shipped to the enterprise zone			
(1) Shipped from within the zone			
(2) Shipped from outside the zone			
(b) Sales shipped from the zone to:			
(1) The United States government			
(2) A location outside a zone where the only sales activity consists of the solicitation of orders which may be accepted but are not subject to approval or rejection at such location.			
(c) Interest income and other receipts from extending credit attributed to the zone			
(d) Other gross business receipts not previously apportioned			
Total Receipts: Add column A, lines 3(a) through 3(d); enter all receipts in column B			
Adjusted Receipts Percent Within Zone: Divide total receipts, column A by amount in column B; enter percent within zone here _____ % { X3 for tax year beginning in **2007**; X8 for tax year beginning in **2009**; X4.67 for tax year beginning in **2008**; X18 for tax year beginning in **2010** }			3 . %
4. **Total Percent** (sum of percentages in column C, lines 1, 2, and 3):			4 . %
5. **Enterprise Zone Income Apportionment Percentage:** Divide total percent on line 4 by: **5** for tax year beginning in **2007**; **10** for tax year beginning in **2009**; **6.67** for tax year beginning in **2008**; **20** for tax year beginning in **2010** if all three factors are present in column B			5 . %

NOTE: In instances in which there is a total absence of one of these factors (e.g., no payroll anywhere), divide the sum of the percentages by the number of the remaining factor values present in the apportionment formula.

Part 1 B — To Determine Allocated Non-business/non-unitary Enterprise Zone Income for Employment Expense Tax Credit

Allocate, using the provisions of IC 6-3-2-2(g), any income classified as non-business derived from sources within the zone and from sources everywhere.	Zone Sources Column A		All Sources Column B	
(1) Dividends (not from DISC or FSC) (excess after dividend deduction)	1		1	
(2) Interest (other than U.S. government interest)	2		2	
(3) Net capital gains or losses	3		3	
(4) Rents and royalties from tangible personal property	4		4	
(5) Patents, copyrights, and royalties from intangible property	5		5	
(6) Other non-business income	6		6	
(7) Distributive share income from non-unitary partnerships and tiered partnerships	7		7	
(8) Less other related expenses for non-business income	8		8	
(9) Net non-business and non-unitary partnership/tiered income or loss (add lines 1 through 7; subtract line 8 for each column)	9		9	

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Schedule EZ 1, 2, 3 continued

Indiana Department of Revenue

Tax Year Ending:
Month_____ Year _____

Part 2 Enterprise Zone Employment Expense Tax Credit Calculation

Name | Federal Identification Number

Indicate type of income tax return to be filed by employer (Check one):
☐ Individual Form IT-40 ☐ Nonprofit Form IT-20NP
☐ Corporation Form IT-20 ☐ Financial Institution Form FIT-20

**Pass-through entities*
☐ S Corp. Form IT-20S*
☐ Partnership Form IT-65*
☐ Fiduciary Form IT-41*

Location Name of Enterprise Zone(s) or Airport Development Zone	Base Period Year	Base Period Qualified Wages	Current Tax Year Qualified Wages
1. Qualifying wages attributed to zone (pass-through entities enter zero on line 1a)		1a	1b
2. Qualified increase (subtract line 1a from line 1b)			2
3. Multiply line 2 by 10% (0.10)			3
4. Number of qualified employees (except for pass-through entities, number first employed after 12-31-1998): _____ X $1500			4
5. Enter the lesser of line 3 or line 4 (this is your current year employment expense credit)			5
6. Current year federal adjusted gross income after Indiana modifications (see instructions)		6	
Entities subject to insurance premium tax or financial institutions tax skip to line 15			
7. Non-business income from all sources from Part 1B, line 9 of column B		7	
8. Net taxable business income (subtract line 7 from line 6)		8	
9. Apportionment percentage from Part 1A, line 5 for taxable year		9 %	
10. Enterprise zone business income (multiply line 8 by line 9)		10	
11. Non-business enterprise zone income from Part 1B, line 9 of column A		11	
12. Enterprise zone net operating loss deduction (see instructions)		12	
13. Total "enterprise zone adjusted gross income" (add line 10 and line 11; subtract line 12)		13	
14. Enterprise zone adjusted gross income tax (multiply line 13 by 3.4%). Corporate taxpayers use 8.5% (or 5% in MBEA)			14
15. **This is your qualified state tax liability:** Enter the amount from line 14, the net financial institution tax, or insurance premium tax attributed to the enterprise zone. *A pass-through entity with no tax liability will enter zero.*			15
16. Enter the **lesser** of line 5 (plus applied carryover credit) or line 15. If line 15 exceeds line 5, **add** your available unused carryover credit from other tax years, up to the remaining amount of your qualified state tax liability *(Carry this amount to the appropriate credit entry line on the annual corporate or individual income tax return. Pass-through entities with no income tax liabilities enter the pro rata share of credit from line 5 above, on Form IN K-1.)*			16
17. Unused credit carryover - If line 5 exceeds line 15, enter the excess here and on Part 3			17

Line 9: apportionment formula in effect for your taxable year.

I certify I have examined this schedule, and to the best of my knowledge and belief it is true, correct, and complete. I further certify that Indiana business activities were not substantially reduced for the purpose of relocating the business in an enterprise zone.

Signature | Title | Date

Part 3 Employment Expense Tax Credit Carryover for Enterprise Zone Tax Liability

Year of Credit	Credit Carryback	Period Ending	Qualified Tax Liability Applied	Remaining Excess Credit
	3rd preceding tax year		$	$
	2nd preceding tax year		$	$
	1st preceding tax year		$	$
Amount of Excess Credit from Part 2	**Credit Carryforward**			
	1st following tax year		$	$
	2nd following tax year		$	$
	3rd following tax year		$	$
Location Name of Enterprise Zone(s)	4th following tax year		$	$
	5th following tax year		$	$
	6th following tax year		$	$
	7th following tax year		$	$
	8th following tax year		$	$
	9th following tax year		$	$
	10th following tax year		$	$

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SCHEDULE LIC
State Form 21926
(R5/8-09)

For Tax Year Ending:
Month_____ Year _____

Indiana Department of Revenue

Enterprise Zone
Loan Interest Tax Credit

(Enclose completed schedule with annual state tax liability return.)

814

Section A - Taxpayer Information

Name of taxpayer (lender)	Social Security or federal identification number
Street address	County
City or town, state, and ZIP code	Taxpayer's telephone number ( )

Section B - Qualified Loan Information (attach list of all borrowers) Section B continued on reverse side.

Name of borrower (A)	Borrower's Social Security or federal identification number
Street address	Borrower's telephone number
City or town, state, and ZIP code	
Use of loan (check one): ☐ Business ☐ Personal — Date of loan origination:	Location name of borrower's enterprise zone

Section C - Report of Qualified Loans to Businesses by Enterprise Zone Locations
Summarize the number of qualified loans to businesses in each enterprise zone and the amount of interest received during the taxable year.

Enterprise Zone	(a) Number of Loans	(b) Interest Income	Enterprise Zone	(c) Number of Loans	(d) Interest Income
Bedford		$	Jeffersonville		$
Bloomington		$	Kokomo		$
Connersville		$	Lafayette		$
East Chicago		$	La Porte		$
Elkhart		$	Marion		$
Evansville		$	Michigan City		$
Ft. Harrison		$	Mitchell		$
Ft. Wayne		$	New Albany		$
Frankfort		$	Portage		$
Gary		$	Richmond		$
Grissom Aeroplex		$	Salem		$
Hammond		$	South Bend		$
Indiana Army Ammunition Plant		$	Terre Haute		$
Indianapolis		$	Vincennes		$
Subtotal		$	Subtotal		$

Section D - Credit for Qualified Loans for the Taxable Year

1. Grand total of all qualified loans to businesses listed in Section C, columns (a) and (c)	1	$
2 Total amount of loan interest income received from qualified loans listed in Section C, columns (b) and (d)	2	$
3. Amount of loan interest income received from other qualified nonbusiness loans made for home improvements within all enterprise zones	3	$
4. Total Loan Interest Credit - add amounts on lines 2 and 3; multiply result by 5 percent (.05)	4	$
5. Indicate for which tax type you are applying this credit. Enter net amount of tax you are offsetting: a ☐ Adjusted Gross Income Tax b ☐ Insurance Premium Tax c ☐ Financial Institutions Tax	5	$
The tax offset may not exceed the amount of available credit from line 4. ***Carry amount on line 5 to other credit line of your return.***		
6. Unused amount of credit available for carryover - subtract line 5 from line 4 and complete Section E	6	$

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Section B - Qualified Loan Information Continued (Attach additional sheets if necessary.)

Name of borrower (B)		Borrower's Social Security or federal identification number
Street address		Borrower's telephone number
City or town, state, and ZIP code		
Use of loan (business or personal):	Date of loan origination:	Location name of borrower's enterprise zone
Name of borrower (C)		Borrower's Social Security or federal identification number
Street address		Borrower's telephone number
City or town, state, and ZIP code		
Use of loan (business or personal):	Date of loan origination:	Location name of borrower's enterprise zone
Name of borrower (D)		Borrower's Social Security or federal identification number
Street address		Borrower's telephone number
City or town, state, and ZIP code		
Use of loan (business or personal):	Date of loan origination:	Location name of borrower's enterprise zone

Section E - Enterprise Zone Interest Credit Carryover (814)

Enter below the initial tax period in which the Enterprise Zone Loan Interest Credit was claimed. Enter the remaining unused amount of credit from Section D, line 6.

Initial Tax Year Ending: Month _____ Year_____	Enterprise Zone Loan Interest Credit Available for Carryforward from Section D, Line 6: $_____

Show how the unused credit is applied during the carryover period. Unused Credit (column 5) is to be placed on your return for the next tax year.

(1) Credit Carryforward	(2) Total Amount of Tax	(3) Type of Tax Liability Reduced	(4) Amount Applied	(5) Unused Credit
1st Following Tax Year _____				
2nd Following Tax Year _____				
3rd Following Tax Year _____				
4th Following Tax Year _____				
5th Following Tax Year _____				
6th Following Tax Year _____				
7th Following Tax Year _____				
8th Following Tax Year _____				
9th Following Tax Year _____				
10th Following Tax Year _____				

Section F - Signature

I certify I have examined this schedule, and to the best of my knowledge and belief, the information contained in this schedule is true, correct, and complete.

Signature of taxpayer: _____ Title: _____ Date signed: _____

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Enterprise Zone LIC Instructions

Indiana Code (IC) 6-3.1-7-2 provides that a taxpayer who is in good standing with the Indiana Economic Development Corporation is entitled to a state income tax credit of 5% of the interest income received from qualified loans made during the year. To qualify, the loan proceeds must be for purposes directly related to businesses located in an enterprise zone or for improvements increasing the assessed value of real property located in an enterprise zone.* A "qualified loan" also means a loan made to an individual or business that uses the loan proceeds toward the rehabilitation, repair, or improvement of a residence within an enterprise zone.

*An enterprise zone created under IC 5-28-15 or an airport development zone (code # 802) designated under IC 8-22-3.5-14.

Maps of enterprise zones and addresses can be found on the Web at www.in.gov/dor/3619.htm

Who may file for this credit?

For the purposes of eligibility, for the Loan Interest Credit, a taxpayer in good standing is defined as an entity conducting business operations within an enterprise zone that

1) Receives interest on a qualified loan made during the tax year;
2) Pays the registration fee charged to zone businesses under IC 5-28-15-5;
3) Provides the assistance to urban enterprise associations required from zone businesses under IC 5-28-15-5(b); and
4) Complies with any requirements adopted by the board of the Indiana Economic Development Corporation for taxpayers claiming the Enterprise Zone Loan Interest Credit.

Note: If the taxpayer is located outside an enterprise zone, the taxpayer is not required to reinvest its incentives within the enterprise zone, other than complying with (2) and (3) above.

How often can I claim a credit?

A claim for credit is filed annually for each qualified loan or in combination with all qualified loans made during the taxable year.

Section A – Taxpayer Information

1) Type or print lender's name and address.
2) Enter lender's Social Security or federal ID number.
3) Enter Indiana county or O.O.S. (out-of-state).
4) Enter telephone number.

Section B – Qualified Loan Information

Enter the following information for each qualified loan, or provide a combined listing of borrowers within every enterprise zone. Attach additional sheets as necessary (type or print):

1) Enter the borrower's name and location address within the enterprise zone.
2) Enter the borrower's Social Security or federal identification number.
3) Enter the borrower's telephone number.
4) Indicate the purpose of the loan (business or personal home improvement) and the date of loan origination.
5) Enter the name of the borrower's enterprise zone location.

Section C – Report of Qualified Loans to Businesses by Enterprise Zone Locations

Summarize the number of qualified loans made during the taxable year according to the enterprise zone in which the loan proceeds are used by the business borrower(s) (listed in Section B).

Enter the total amount of interest income received from qualified loans to businesses during the taxable year attributed to the enterprise zone location of the borrower(s), columns (a) and (c).

For purposes of the loan interest credit, interest includes service charges, time-price differentials, and all other charges for the use of money. Interest received from loans and lines of credit existing at the time an enterprise zone was designated qualify for the credit if the proceeds are used for a qualified purpose. Interest from mortgage loans to acquire property does not qualify unless the property is used for business purposes (including renting or leasing). If the proceeds of a loan are used to both acquire and improve real property and the acquisition is not for a business purpose, only that portion of the interest attributable to the improvement of the property would qualify for the loan interest credit. If the loan proceeds are used to acquire business property which is subsequently removed from an enterprise zone, only the interest received while the property was used for a business purpose within the enterprise zone would qualify for the credit.

Section D – Credit for Qualified Loans for the Taxable Year

Line 1. Enter the grand total of all qualified loans to businesses listed in Section C, columns (a) and (c).

Line 2. Enter the amount of loan interest income received from businesses during the taxable year from qualified loans listed in Section C, columns (b) and (d).

Enterprise Zone LIC Instructions, continued

Line 3. Enter the total other loan interest income received from nonbusiness loans made for the purposes of rehabilitation, repair, or improvement of a residence or for improvements that increase the assessed value of real property located in any enterprise zone.

Line 4. Add the amount of business and nonbusiness interest income and multiply the result by 5%.

Line 5. Indicate the state tax liability you wish to offset by checking the appropriate tax type box and by entering the net amount of your state tax liability. Note: The net amount of tax entered on line 5 must be reduced by all other applicable tax liability credits and may not be greater than the amount on line 4. Carry the net amount of credit to be used to your tax type return.

Line 6. Subtract line 5 from line 4. The result may not be less than zero. If it's greater than zero, carry the excess unused amount of credit to Section E.

Section E – Enterprise Zone Loan Interest Carryover

Complete this section whenever there is a carryover of unused loan interest credit. The amount of credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain credit against allowable state tax liabilities for any subsequent taxable year. Carryover is allowed up to 10 years following the date on which a qualified loan credit is claimed but not beyond the phase-out period that terminates the enterprise zone from which a qualified loan had originated.

Enter in each column the applicable date or amounts for every succeeding taxable year in which a credit carryover is used.

Section F – Signature

The taxpayer or an authorized agent must sign this schedule.

Where can I claim this credit?

The Loan Interest Credit can be applied as a credit against the taxpayer's adjusted gross income tax (IC 6-3-1 through 6-3-7), insurance premium tax (IC 27-1-18-2), and financial institution tax (IC 6-5.5). A copy of Schedule LIC must be enclosed with the return; otherwise, the credit will be disallowed. The credit amount calculated on the LIC is to be taken as a credit against your tax liability on the return in the order listed above after first applying other credits allowed under IC 6-3.1-1-2.

Refer to Income Tax Information Bulletin #66 for additional information. Please see the instructions for your tax return to determine where the credit should be entered on the various tax forms.

What if I do not use all of my credit?

Any unused credit may be carried over to the next eligible tax return to be filed up to 10 years from the date of the loan until all credit has been used or the enterprise zone terminates.

Note: A taxpayer is not entitled to a carryback or refund of any unused credit. The statute does allow the taxpayer to carry forward any unused credit.

What if I am an entity exempt from adjusted gross income tax?

Entities exempt from adjusted gross income tax under IC 6-3-2-2.8(2) may "pass through" the credit to shareholders, partners, beneficiaries, or members of the pass-through entity. A pass-through entity is an S corporation, partnership, trust, limited liability company, or limited liability partnership. Each member's tax credit is calculated by multiplying the total credit available by the percentage of the entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled. The pro rata share of the calculated credit is reported by the entity on each unit-holder's Schedule IN K-1. A copy of Schedule LIC or IN K-1 must be enclosed with the return to claim your share of the credit.

Whom do I contact if I have questions about the Enterprise Zone Loan Interest Credit?

Questions concerning enterprise zone income tax provisions should be directed to:

Indiana Department of Revenue
Returns Processing Center
Corporate Income Tax Section
100 N. Senate Avenue
Indianapolis, IN 46204-2253
(317) 233-4015
Web address: **www.in.gov/dor/**

For questions concerning other provisions related to enterprise zones and current locations within the designated cities, contact:

Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 232-8800
Web address: **www.iedc.in.gov/**

SCHEDULE
IT-40QEC
State Form 21928
R1/1-06

Indiana Department of Revenue

Enterprise Zone Qualified Employee Deduction Certificate

PRIVACY NOTICE
The records in this series are CONFIDENTIAL according to the provisions of I.C. 6-8.1-7-1 and I.C. 5-28-15-8

--- Attach to Indiana individual income tax return ---

Name of Employee	Social Security Number	Name of Enterprise Zone _____ Date of residence in Enterprise Zone: From _____ To _____
Employee's street address		Amount of compensation for tax year during the period of residence in the Enterprise Zone: $_____
City of residence		**Caution: Limitation of Deduction** Enter 1/2 of the above amount or $7,500, whichever is less: $_____

Employer	Address	Federal Identification Number

I certify that the above-named employee was paid the amount indicated as compensation for services rendered, and that he/she is a qualified employee as defined in I.C. 6-3-2-8.

Signature of Employer	Title	Telephone Number	Date
		( )	

SCHEDULE
IT-40QEC
State Form 21928
R1/1-06

Indiana Department of Revenue

Enterprise Zone Qualified Employee Deduction Certificate

PRIVACY NOTICE
The records in this series are CONFIDENTIAL according to the provisions of I.C. 6-8.1-7-1 and I.C. 5-28-15-8

--- Attach to Indiana individual income tax return ---

Name of Employee	Social Security Number	Name of Enterprise Zone _____ Date of residence in Enterprise Zone: From _____ To _____
Employee's street address		Amount of compensation for tax year during the period of residence in the Enterprise Zone: $_____
City of residence		**Caution: Limitation of Deduction** Enter 1/2 of the above amount or $7,500, whichever is less: $_____

Employer	Address	Federal Identification Number

I certify that the above-named employee was paid the amount indicated as compensation for services rendered, and that he/she is a qualified employee as defined in I.C. 6-3-2-8.

Signature of Employer	Title	Telephone Number	Date
		( )	

Schedule IT-40QEC is to be completed by the enterprise zone employer and distributed to its qualified employee(s). The qualified employee should claim this deduction on their IT-40 Schedule 1, their IT-40PNR Schedule D, or their IT-40X (amended tax return). The employee must attach the IT-40QEC to the state individual income tax return to support any claimed deduction of earned enterprise zone income.

Indiana Code I.C. 6-3-2-8 defines a "qualified employee" as an individual who:

1. Has a principal place of residency in the enterprise zone where employed;
2. Performs services for the employer 90% of which are directly related to the conduct of the employer's trade or business located in an enterprise zone;
3. Performs services for the employer at least 50% of the time during the taxable year within a state enterprise zone; and
4. Is employed by a business that remains eligible to receive benefits and incentives as provided by enterprise zone legislation.

Portions of certain Indiana cities are designated as state enterprise zones. Also, certain airport development zones may substitute as enterprise zones. **A qualified employee living and working in a designated enterprise zone may be entitled to deduct from state adjusted gross income one-half (1/2) of the enterprise zone income earned for services or $7,500, whichever is less.** Enterprise zone income means wages, salaries, commissions and any other forms of remuneration (as shown in the box on front of this certificate) paid to qualified employees for services by an enterprise zone employer, minus any IRA deductions directly related to that earned income.

Schedule IT-40QEC is to be completed by the enterprise zone employer and distributed to its qualified employee(s). The qualified employee should claim this deduction on their IT-40 Schedule 1, their IT-40PNR Schedule D, or their IT-40X (amended tax return). The employee must attach the IT-40QEC to the state individual income tax return to support any claimed deduction of earned enterprise zone income.

Indiana Code I.C. 6-3-2-8 defines a "qualified employee" as an individual who:

1. Has a principal place of residency in the enterprise zone where employed;
2. Performs services for the employer 90% of which are directly related to the conduct of the employer's trade or business located in an enterprise zone;
3. Performs services for the employer at least 50% of the time during the taxable year within a state enterprise zone; and
4. Is employed by a business that remains eligible to receive benefits and incentives as provided by enterprise zone legislation.

Portions of certain Indiana cities are designated as state enterprise zones. Also, certain airport development zones may substitute as enterprise zones. **A qualified employee living and working in a designated enterprise zone may be entitled to deduct from state adjusted gross income one-half (1/2) of the enterprise zone income earned for services or $7,500, whichever is less.** Enterprise zone income means wages, salaries, commissions and any other forms of remuneration (as shown in the box on front of this certificate) paid to qualified employees for services by an enterprise zone employer, minus any IRA deductions directly related to that earned income.

Bloomington Urban Enterprise Association

Showers City Hall, Room 130
401 N. Morton
P.O. Box 100
Bloomington, IN 47402
(812) 349-3805

Grant Application

Requirements:

- ❑ Completed application, signatures and dated
- ❑ Copy of Deed to property, if applicable
- ❑ Offer to Purchase, if applicable
- ❑ Exterior Elevation drawing or rendering
- ❑ Letter of appropriateness from HAND Historic Preservation Program Manager
- ❑ Site Plan
- ❑ Project specifications/work write up with estimates, if applicable
- ❑ Zoning compliance/approval letter, if applicable
- ❑ Pro Forma Operating Budget
- ❑ Project Timeline

Grant Program Application

The information collected below will be used to determine whether the project qualifies for funding by the Bloomington Urban Enterprise Association. All information will be kept confidential.

Applicant Information:	
Applicant (include the names of all partners):	Phone:
Applicant Address (include Zip Code):	
Address of the Property (include Zip Code):	
Ownership: o Individual o Partnership o Corporation (Specify: _____) o Non-Profit Organization o Association (Specify: _____)	
Federal ID No.: _____ Year of incorporation: _____ Length of time at this location: _____	
Contact Person: _____ Tel: ( ) _____	
Please give a brief description of your business/organization:	
Have you participated in any Zone tax incentives? o Yes o No If so, which ones? _____	
Project Description:	
Requested amount of BUEA funds $ _____	

Economic Impact:

Total number of jobs at location: _____

Number of new jobs added from project: _____

Average wages for all jobs: _____

Average wages for new jobs: _____

Are the new jobs: o FT (# ____) o PT (#____)

Do these new jobs have benefits: o Yes o No

Please describe: _____

_____

Social Impact:

Total number monthly participants: _____

Total number of monthly participants who live in the Zone: _____

Will this funding help you offer:

- o Educational opportunities
- o Job training
- o Youth development
- o Healthcare
- o Self-sufficiency programs

Please attach information on your evaluation/outcome measurement tool and colleted data.

Physical Impact:

Cost of acquisition: _____

Is this property historically eligible? _____

Have you hired a contractor: _____

If so, who? _____

Address: _____

Will the contractor or subcontractors be Zone businesses? _____

If so, list: _____

_____

_____

Please estimate how BUEA funds will be spent:

Acquisition: $ _____

Renovate interior: $ _____

Renovate exterior: (non-façade) $ _____

Renovate façade: $ _____

Site improvements: $ _____

Other (describe): $ _____

Will this project be for property acquisition or rehabilitation? Rehabilitation

Please list all existing or pending loans, grants or other funding on this property:

1. _____ $ _____

Type: o Loan o Grant o Other (_____) Status: _____

2. _____ $ _____

Type: o Loan o Grant o Other (_____) Status: _____

3. _____ $ _____

Type: o Loan o Grant o Other (_____) Status: _____

4. _____ $ _____

Type: o Loan o Grant o Other (_____) Status: _____

Total $ _____

Total Estimated Cost of Project:	Do you have clear title to the property? o Yes o No
Do you intend to apply for: Local Tax Abatement: o Yes o No Tax Credits: o Yes o No Other Assistance: o Yes o No Specify: _____	Answer for all partners: 1. Have you ever defaulted on a job/loan? o Yes o No 2. Have you been adjudged bankrupt? o Yes o No 3. Have you ever been debarred from the State or Federal contractor construction listing? o Yes o No
Have you discussed this project with the City Planning Department? If yes, please attach copy of approval letter. If no, please specify date of meeting. o Yes o No (Meeting date: _____)	
Estimated construction start date: Currently underway	Estimated construction completion date:

I hereby certify that the information provided in this application and in support of this application is given for the purposes of obtaining financial assistance from the Bloomington Urban Enterprise Association (BUEA) and is true and complete to the best of my knowledge.

_____ _____

Applicant Date

_____ _____

Applicant Date

Bloomington Urban Enterprise Association

Resident Economic Independence Scholarship

The Bloomington Urban Enterprise Association's Resident Economic Independence Scholarships are available to help Zone residents pursue educational endeavors in an attempt to further their economic wellbeing. If you are a Zone resident and have lived within the Zone for at least 12 months, you may apply for an Economic Independence Scholarship by submitting the attached application.

The scholarship may be used to pay for any class that clearly aids in furthering one's economic wellbeing. In the past, the scholarship has been used to take classes at Ivy Tech Community College and the Small Business Development Center as well as take classes necessary to pursue other professional opportunities such as real estate and cosmetology.

The BUEA will pay for two classes, including textbooks, or up to $600.00 a semester, whichever is less. Over one's lifetime the BUEA will provide up to $1,200.00 in educational assistance. However, funds are limited and awarded on a first-come, first-serve basis.

Applications must be received at least one month prior to the start of the class(es) being paid for with the scholarship. The BUEA will notify applicants of approval or denial by U.S. mail within seven business days. Funds will be sent directly to the institution providing the class(es).

To apply, send a completed application along with proof of residency (e.g. a photocopy of a valid driver's license or a recent utility bill) to:

Bloomington Urban Enterprise Association
Post Office Box 100
Bloomington, IN 47402

If you have any questions, please call the BUEA at (812) 349-3805.

Bloomington Urban Enterprise Association

Resident Economic Independence Scholarship Application

Name: _____

Home Address: _____

_____

How long have you lived at this address? _____

Phone: _____

Email: _____

Proposed Classes: 1) _____

2) _____

Institution Offering Classes : _____

Student ID Number: _____
How Did You Hear About Us? _____

Attach to this form a written response addressing the following questions:

1) What are your long term educational and career goals?
2) How will completing the proposed class(es) aid in reaching these goals?

The information provided is true and complete to best of my knowledge and belief. I further understand that in order to receive future funding, I must earn at least a "C" in classes paid for by the BUEA or show proof of completion if class is not graded, remain in good financial standing with the educational institution, and maintain my residence in the Urban Enterprise Zone.

_____

Signature Date

Please return this form along with proof of residence and written response to:
Bloomington Urban Enterprise Association
P.O. Box 100
Bloomington, IN 47402