



Summary of Programs

DECD DIRECT ASSISTANCE

DECD offers direct financial assistance in the form of low-interest loans for projects when there is a strong economic development potential.

FIRST FIVE PROGRAM

The First Five Program augments and combines the state's best incentive and tax credit programs to provide incentives to businesses that create at least 200 jobs in two years or invest at least \$25 million and create a minimum of 200 jobs in five years in the state. Before companies can be eligible for the First Program, they must receive approval from DECD.

SMALL BUSINESS EXPRESS PROGRAM

The Small Business Express Program (EXP) provides loans and grants to small businesses to support job creation and retention, encourage private investment and increase skill development. Small businesses registered to conduct business for not less than 12 months, in good standing with all state agencies and with the payment of all state taxes, and employing no more than 100 employees, are eligible to apply. DECD has developed a streamlined process with a one-page on-line application available at www.decd.org.

URBAN AND INDUSTRIAL SITES REINVESTMENT TAX CREDIT PROGRAM (URA)

This program allows for a dollar-to-dollar corporate tax credit of up to 100% of capital investment on eligible projects with a minimum investment of \$5 million in distressed communities and \$50 million in all other communities. The credits can be used over 10 years according to the following schedule: years 1-3, 0%; years 4-7, 10%; years 8-10, 20%. Should the company not be in a position to take advantage of the earned credits, credits can be carried forward for 5 consecutive years or be transferred to another corporate taxpayer to be used in the same year the credits were earned.

SALES & USE TAX EXEMPTION

Connecticut Innovations (CI) can act as a conduit for a sales and use tax exemption for the company's anticipated qualifying capital equipment and/or construction materials. This exemption will relieve the company and/or the developer from the state's 6.35% sales tax, up to the CI Board approved amount. This procedure is subject to review and approval by the CI Board of Directors and the Connecticut Department of Revenue Services.

ENTERPRISE ZONE AND TARGET INVESTMENT COMMUNITY INCENTIVES FOR ELIGIBLE BUSINESSES IN ELIGIBLE COMMUNITIES:

- A five-year, 80% abatement of local property taxes on qualifying real estate and personal property that is new to the grand list of the municipality as a direct result of a business expansion or renovation project.
- A ten-year, 25% credit on that portion of the corporate business tax that is directly attributable to a business expansion or renovation project as determined by the Connecticut Department of Revenue Services. The credit may increase to 50% based on number of new jobs created.

Additional Zones Eligible for Enterprise Zone-Level Benefits

- **Bradley Airport Development Zone** – This zone establishes tax incentives for manufacturers and certain related businesses that build or substantially renovate facilities in the area and create new jobs. The zone, located around Bradley International Airport, will include specified census blocks within the towns of East Granby, Suffield, Windsor and Windsor Locks.
- **Bioscience Enterprise Corridor Zone** – This zone is for eligible businesses which has not more than 300 employees at any time during the preceding twelve months and is engaged in bioscience, biotechnology, pharmaceutical or photonics research, development or production in the state. Enterprise zone-level benefits will include certain businesses and commercial properties in certain census blocks, groups and tracts in Farmington, Hartford, Bristol and New Britain.
- **Defense Plant Zone** - This zone is intended for a municipality that has been severely impacted by a prime defense contract cutback or major aerospace or defense plant closure with not less than 800 employees.

ANGEL INVESTOR TAX CREDIT PROGRAM

- Tax credit for angel investors with cash investment of \$25,000 or more in a qualified Connecticut business
- The credit shall be equal to 25% of the investor's cash investment
- Total tax credits allowed shall not exceed \$250,000 for any angel investor
- Tax credit must be claimed in the taxable year in which the investment was made

- Qualified businesses must apply to Connecticut Innovations and be approved to be eligible for a tax credit
- The Connecticut business must be principally located in Connecticut and be engaged in bioscience, advanced materials, photonics, information technology, clean technology or any other emerging technology as determined by the Commissioner
- The business must have annual gross revenues of less than \$1 million in the most recent income year; have fewer than 25 employees, not less than 75% of whom reside in the state; have been operating in the state for less than 7 consecutive years; be primarily owned by the management of the business and their families; and received less than \$2 million in cash investments eligible for the tax credits.

PRE-SEED FINANCING PROGRAM

- Connecticut Innovations (CI) provides pre-seed financing to businesses for the development of proof of concepts and support services
- Financial assistance shall not exceed \$150,000 per business
- An eligible business must be principally located in Connecticut with not less than 75% of its employees working in state
- An eligible business must also demonstrate private investment dollars not less than 50 cents for every dollar of financial assistance sought from the program.

C-PACE

Commercial & Industrial Property Assessed Clean Energy (C-PACE) is an innovative financing model that will allow building owners across the state to access cleaner, cheaper, and more reliable energy.

C-PACE allows interested property owners to access financing to undertake qualifying energy efficiency and clean energy improvements on their buildings and repay the investment through an additional charge (“assessment”) on their property tax bill.

www.energizect.com/c-pace

TECHNICAL ASSISTANCE

DECD offers a broad range of programs and services to help businesses strengthen their competitive position in the global economy. DECD acts as the one point of contact to help businesses access the wide array of resources available.

- **Connecticut Economic Resource Center** – Manages and supports programs for business attraction, formation and expansion including ProgramFinder and Connecticut Licensing Information Center (CLIC).
www.cerc.org
- **Connecticut Licensing Information Center (CLIC)** – Streamlined registration, permitting and licensing processes.
www.ct-clic.com

- **Small Business Development Center (SBDC)** – Professional, confidential, one-on-one business counseling services.
www.ctsbdc.org
- **University of Hartford Entrepreneurial Center** – Supports aspiring entrepreneurs, startups and growing businesses.
www.hartford.edu/cpd
- **Women’s Business Development Council** – Provides programs and services to infuse the “entrepreneurial mindset” through workshops, long-term series and counseling. Can assist in starting a business or growing a business.
www.ctwbdc.org
- **Department of Labor (DOL)** – Full range of employment and training services.
www.ctdol.state.ct.us
- **Energy Conservation** – Conservation and load management assistance through the utility companies. Northeast Utilities, www.cl-p.com United Illuminating, www.uinet.com
- **University of Connecticut Tech-Knowledge Portal** – Assists existing companies with technology related issues and entrepreneurs developing new tech-related products and forming new tech-based firms.
www.otc.uconn.edu
- **Institute of Technology and Business Development (ITBD)** - Technical training, skill development and industrial modernization.
www.ccsu.edu/itbd
- **Connecticut Center for Advanced Technology, Inc. (CCAT)** – Helps private and public entities to apply innovative tools and practices to increase efficiencies, improve workforce development and boost competitiveness.
www.ccat.us
- **Procurement Technology Assistance Program (PTAP)** – Marketing assistance for businesses that wish to sell products and services to government agencies.
www.ctptap.org
- **Connecticut State Technology Extension Program (CONNSTEP)** Engineering and technical support for manufacturing firms.
www.connstep.org
- **Connecticut Small Business Innovation Research Office (CT SBIR)** Helps high-tech small **businesses** and entrepreneurs win federal SBIR/STTR awards. They facilitate commercialization by collaborating with industry, government and academia.
www.ctinnovations.com
- **Export Assistance Center** – Part of the U.S. Department of **Commerce**, the center helps companies develop and achieve their exporting strategies.
www.export.gov/connecticut

Connect to Connecticut!

For more information please visit our website.

ctforbusiness.com

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