



HOW IT WORKS

STEP 1

Contact your CPA to ensure credits are applicable.

Identify the property of interest is within the RURAL zone.

Prove eligibility of acquisition with closing documents, documenting approved redevelopment and jobs created.

STEP 2

File the RURAL Zone Tax Credit Certification with Downtown Development for certificate and NAICS Code.

Downtown Development will verify RURAL zone eligibility, ordinance/licensing compliance, and submit to the Georgia Department of Community Affairs.

STEP 3

The Georgia Department of Community Affairs will acknowledge and accept the certification form.

Once certified, acknowledged, and accepted, a copy will be provided to all parties. The certification must be included with income tax return when credit is claimed.

APPLICABLE USES FOR TAX CREDITS*

The Rural Zone Designation is designed so that multiple parties can benefit from RZ tax credits. For example: A business may claim the job tax credits after creating two full-time-equivalent jobs while allowing an investor or property owner to then claim an investment and/or rehabilitation credit.

Two FTE jobs must be created and maintained to qualify for ANY Rural Zone Tax Credits.

The business creating jobs must be an approved NAICS Code.

JOB TAX CREDIT*

The job tax credit will be \$2,000 per new full-time equivalent job per year, up to 5 years, and not to exceed \$200,000 total or \$40,000 per year. New full-time equivalent job means an aggregate of employee worked hours totaling 40 hours per week between two or more employees. At least two net, new full-time equivalent jobs must be created to qualify. This credit is for small business owners who open within the designated rural zone.

INVESTMENT CREDIT*

The investment credit is equivalent to 25% of the purchase price, not to exceed \$125,000 total or \$25,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the investment credit. This credit is for investors who purchase a building within the designated rural zone. It will be prorated over 5 years.

REHABILITATION CREDIT*

The rehabilitation credit is equivalent to 30% of the qualified rehabilitation costs, not to exceed \$150,000 total or \$50,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the rehabilitation credit. This credit is to offset development costs associated with the rehabilitation of a property located within the designated rural zone. This credit will be prorated over 3 years.

**Renovations must be well documented*

**Must be certified, acknowledged, and accepted by The Georgia Department of Community Affairs who will provide certificate copies to applicant, City of Watkinsville, and Department of Revenue.*

Contact Kate Patterson, Downtown Development Director

kpatterson@cityofwatkinsville.com