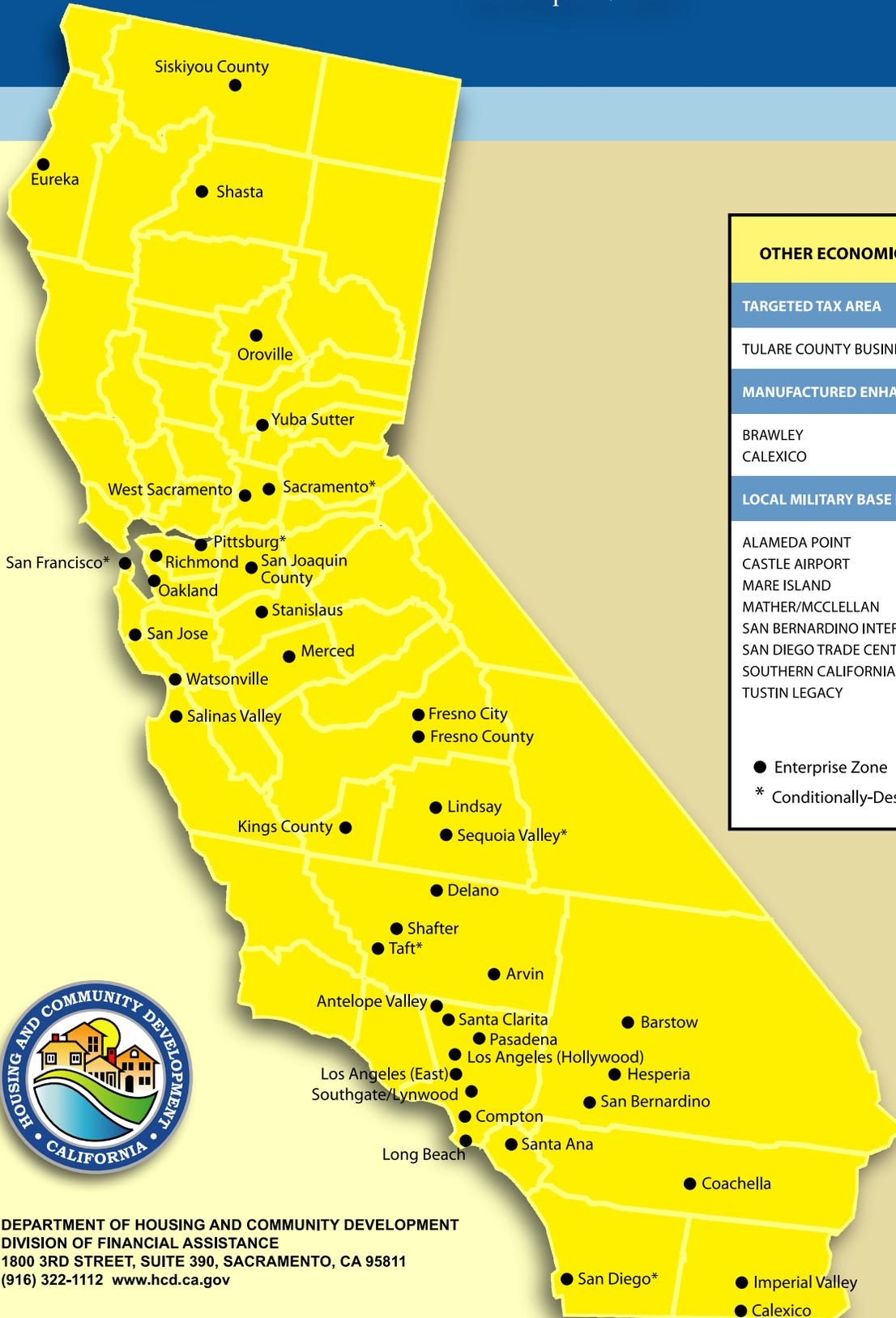


California Enterprise Zones and Other Economic Development Areas

Department of Housing and Community Development

As of April 2010



OTHER ECONOMIC DEVELOPMENT AREAS

TARGETED TAX AREA

TULARE COUNTY BUSINESS INCENTIVE ZONE

MANUFACTURED ENHANCEMENT AREAS

BRAWLEY
CALEXICO

LOCAL MILITARY BASE RECOVERY AREAS

ALAMEDA POINT
CASTLE AIRPORT
MARE ISLAND
MATHER/MCCLELLAN
SAN BERNARDINO INTERNATIONAL AIRPORT
SAN DIEGO TRADE CENTER
SOUTHERN CALIFORNIA LOGISTICS AIRPORT
TUSTIN LEGACY

● Enterprise Zone

* Conditionally-Designated Enterprise Zone



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
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Economic Development Areas

Purpose	Assistance Type
Terms	Eligible Applicants
Eligible Activities	Application Procedure
<p>Stimulate business investment and job creation for disadvantaged individuals in state-designated economically distressed areas of California.</p>	<p>A wide range of state and local incentives designed to help businesses succeed and expand. State income tax-based incentives include:</p> <ul style="list-style-type: none">♦ Hiring credits of up to \$37,440 for each qualified employee hired over a five-year period;♦ Sales tax credits on purchases of up to \$20 million per year's worth of qualified machinery and parts;♦ Up to 100 percent net-operating loss deduction and 15-year carryforward;♦ Up-front expensing of certain depreciable property; and♦ Net interest deductions for lenders to zone businesses.
<p>Zones are in effect for 15 years from the date of designation.</p>	<p>Companies engaged in a trade or business within a designated zone are eligible for incentives. Communities seeking zone designation are scored competitively on their marketing strategies and development plans, financing programs, economic distress indicators and other similar criteria.</p>
<p>Incentives support the establishment, expansion and retention of businesses within designated zones. Eligible business activities include capital investment, lending, hiring and job retention. Types of zones include enterprise zones (EZs), Targeted Employment Areas (TEAs), Targeted Tax Areas (TTAs), Manufacturing Enhancement Areas (MEAs), and Local Agency Military Base Recovery Areas (LAMBRA's).</p>	<p>To claim incentives, businesses apply through local zone managers or the state income tax process. To receive zone designation, eligible communities apply to HCD during open application rounds.</p>