



# SALT WATCH

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Plan  
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## The InvestOhio Program A Significant Ohio Personal Income Tax Credit Opportunity

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### Timing Critical to Enter Program

In an effort to assist Ohio small businesses in getting the capital they need to operate and to encourage job creation, the State of Ohio is offering a personal income tax credit for investments in certain small businesses. The credit is equal to **10% of qualifying investments** and the maximum investment amount is \$10M.

Timing is critical to the participation in the program with registrations currently being accepted and a formal application period to begin the first week of December.

Some **highlights** of the program are as follow:

- \$100M pool of total tax credits available on a **first come, first served** basis
- Dollar for dollar reduction in the taxable income of investor (not required to be an individual)
- Credit available for qualifying investments up to \$10M in businesses that meet the following two-prong test:
  1. Less than \$50M in assets **or** annual sales of less than \$10M
- **And**
  2. At least 50 full-time Ohio employees **or** more than one-half of total full-time employees in Ohio
- Business must spend the investment within 6 Months for certain eligible purposes such as the purchase of tangible personal property, vehicles, real property, or intangible property as well as compensation of new Ohio employees
- Required holding period of two years for investments
- Begin claiming credit in Tax Year 2013
- The credit is not refundable but unused portions may be carried forward 7 years

### Action Items

Now is the time to take advantage of this opportunity with the State of Ohio and ensure allocation of funds to your investment project. Please reach out to Marti Brenner or another member of the GBQ SALT team if you have questions regarding the program.

### For more information, please contact:

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