

# ALABAMA'S ECONOMIC DEVELOPMENT INCENTIVES



## STATE CREDITS

Available for industrial and commercial projects with at least 50 new jobs paying an average wage of \$14 per hour.

### Investment Credit

- Annual credits for up to 1.5 percent of capital invested
- Available for up to 10 years, with up to five years of carry forward
- The first three years may be transferred
- Credits may offset income; utility gross receipts; and insurance and bank taxes, including taxes owed by existing operations

*These credits can apply to projects involving the following sectors regardless of the number of jobs: tech, chemical manufacturing, research, engineering and design, data centers, and metal/machining technology or toolmaking.*

### Jobs Credit

- Annual cash payments of up to three percent of last year's payroll for new employees
- Available for up to 10 years
- Amounts are paid as refunds of taxes for utility services; not dependent on utility taxes actually owed or paid

*For tech projects creating at least five new jobs, available credits include annual cash payments of up to five percent of last year's payroll for new employees. This credit is available for up to 10 years.*

## TAX ABATEMENTS

- Sales and property tax abatements are available to qualifying new industrial or commercial projects and expansions of such projects assuming their capital costs meet the lesser of either 30 percent of the original cost of existing industrial property or \$2 million
- City, county and state non-educational sales and use tax abatements are available on construction materials and manufacturing machinery
- Non-educational property taxes may be abated for up to 20 years (limited to the incremental increase in such taxes if the property does not perform a new function)

*Non-educational property tax abatements for years 11 through 20 require the consent of each governing authority (city, county and state) to abate its respective portion.*

## WORKFORCE DEVELOPMENT ASSISTANCE

The State may also provide comprehensive workforce recruitment and training through AIDT. Services include post-employment/on-the-job training; maintenance assessments; safety assistance and training; leadership development; process improvement; and robotics technology. AIDT was recently ranked second in the nation for state workforce development agencies, according to Business Facilities.



## CONTACT US

**Birmingham Business Alliance** | [www.birminghambusinessalliance.com](http://www.birminghambusinessalliance.com)  
**Jeff Traywick** | (205) 241-8130 | [jtraywick@birminghambusinessalliance.com](mailto:jtraywick@birminghambusinessalliance.com)  
**Brian Jennings** | (205) 241-8133 | [bjennings@birminghambusinessalliance.com](mailto:bjennings@birminghambusinessalliance.com)