

# HIGHPOINTS

County of Summit  
James B. McCarthy, Executive  
Department of Development

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## FACT SHEET: TAX INCENTIVES AND ENTERPRISE ZONES

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The County of Summit has designated certain areas of Summit County as Enterprise Zones, as allowed by state law and consented to by the affected communities. The Department of Development acts as a central point of contact and assists many businesses and entrepreneurs seeking development tools in the County. Enterprise zone incentive agreements are a valuable economic stimulus.

Companies benefit by reducing costs through negotiated agreements to exempt taxes on new investments for real and/or personal property. Communities benefit from incentives which promote job retention, job creation and business investment.

Recognizing the quality of education as an important asset to business, communities and Summit County, the Department of Development encourages all communities and local businesses to develop cooperative programs to benefit the schools. These can include student internships, direct donations to the school system or other designated programs.

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## ELIGIBILITY

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A business enterprise (non-retail) must want to locate within the legal boundaries of a Summit County Enterprise Zone in order to be eligible for negotiated tax incentives. Assistance is available (conditions apply) for Real Estate Tax and Personal Property Tax exemptions. Interested businesses must notify the County of Summit Department of Development of a project for which an exemption is to be requested.

Incentive agreements are contracts that are negotiated individually between the community, the County and a company. Within the parameters of state law, specific terms are negotiated concerning such matters as the number of years the contract will be in effect, the amount of

exemption and the company's commitments for investment, employment and payroll.

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## INCENTIVE GUIDELINES

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This information applies to all zones within Summit County and is provided in order to facilitate negotiations and compliance among all parties. Communities may have other local guidelines as well. Business should check with the community to determine if there are additional incentive policies.

### MUNICIPALITIES

#### *Real Property*

*Up to 75% for up to 10 years OR an average of 60% over the life of the agreement.*

**Example: Straight 75% for 10 Years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
1	75%
2	75%
3	75%
4	75%
5	75%
6	75%
7	75%
8	75%
9	75%
10	75%

**Example: Average of 60% for 10 years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
1	100%
2	100%
3	75%
4	75%

<b>5</b>	<b>50%</b>
<b>6</b>	<b>50%</b>
<b>7</b>	<b>50%</b>
<b>8</b>	<b>50%</b>
<b>9</b>	<b>25%</b>
<b>10</b>	<b>25%</b>

***Tangible Personal Property***

**Up to 75% for up to 10 years WITH an average of 50% over the life of the agreement.**

**Example: Straight 50% for 10 years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
<b>1</b>	<b>50%</b>
<b>2</b>	<b>50%</b>
<b>3</b>	<b>50%</b>
<b>4</b>	<b>50%</b>
<b>5</b>	<b>50%</b>
<b>6</b>	<b>50%</b>
<b>7</b>	<b>50%</b>
<b>8</b>	<b>50%</b>
<b>9</b>	<b>50%</b>
<b>10</b>	<b>50%</b>

**Example: Average of 50% for 10 years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
<b>1</b>	<b>75%</b>
<b>2</b>	<b>75%</b>
<b>3</b>	<b>75%</b>
<b>4</b>	<b>50%</b>
<b>5</b>	<b>50%</b>
<b>6</b>	<b>50%</b>
<b>7</b>	<b>50%</b>
<b>8</b>	<b>25%</b>
<b>9</b>	<b>25%</b>
<b>10</b>	<b>25%</b>

**TOWNSHIPS**

***Real & Tangible Property***

**Up to 60% for up to 10 years OR an average of 50% over the life of the agreement.**

**Example: Straight 60% for 10 years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
<b>1</b>	<b>60%</b>
<b>2</b>	<b>60%</b>
<b>3</b>	<b>60%</b>
<b>4</b>	<b>60%</b>
<b>5</b>	<b>60%</b>
<b>6</b>	<b>60%</b>
<b>7</b>	<b>60%</b>
<b>8</b>	<b>60%</b>
<b>9</b>	<b>60%</b>
<b>10</b>	<b>60%</b>

**Example: Average of 50% for 10 years**

<b>Year of Exemption</b>	<b>Tax Exemption Amount</b>
<b>1</b>	<b>75%</b>
<b>2</b>	<b>75%</b>
<b>3</b>	<b>75%</b>
<b>4</b>	<b>50%</b>
<b>5</b>	<b>50%</b>
<b>6</b>	<b>50%</b>
<b>7</b>	<b>50%</b>
<b>8</b>	<b>25%</b>
<b>9</b>	<b>25%</b>
<b>10</b>	<b>25%</b>

**SCHEDULE OF AVAILABILITY**

**The length of the incentive period will be based on the results of the Evaluation Form and Scale.**

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**ZONE LOCATIONS**

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There are seven zones located throughout the County. These zones include areas within 18 different communities. The map depicts the boundaries of the authorized areas.

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### FILING AN APPLICATION

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To file an application, complete the Ohio Department of Development *Proposed Agreement Form*. Submit the completed form along with a "tax incentive analysis," using the appropriate millage. (Current rates are listed by community name and school district. Please note that one community may include multiple school districts. Project location will determine the rate to use). All information should be submitted to the appropriate local official. Please include information in the form of brochures or other marketing materials that will highlight the unique aspects of your business.

After the terms have been negotiated, complete the Summit County Enterprise Zone Agreement. Submit the signed original (s) with the application fee of \$500, payable to the Ohio Department of Development.

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### TAX INCENTIVE ANALYSIS

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Using the investment levels stated in the Proposed Agreement (Application), the company should complete a tax incentive analysis to submit with the form. The example illustrates the format used and information included.

Complete each section required, based on the investment involved. Assume all investment will occur in Year One, and use this figure for all subsequent years. Calculate the information for the appropriate number of years and percent based on the incentives requested. Insert the correct millage rates based on the project location and school district. The example demonstrates a proposed 10-year incentive, with a 50% personal property incentive and a 75% real property incentive.

<b>Barberton Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b>Barberton CSD</b>	<b>.05304</b>	<b>.06993</b>
<b>Cuyahoga Falls Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b>Hudson LSD</b>	<b>.07568</b>	<b>.09980</b>
<b>Woodridge LSD</b>	<b>.05765</b>	<b>.07532</b>
<b>Mogadore Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b>Mogadore LSD/Maplewood Area JVSD</b>	<b>.05506</b>	<b>.08811</b>
<b>Southern Summit Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b><u>Coventry Township</u></b>		
<b>Barberton CSD</b>	<b>.06365</b>	<b>.07893</b>
<b>Coventry LSD/Portage Lakes JVSD</b>	<b>.06494</b>	<b>.09167</b>
<b>Green LSD/Portage Lakes JVSD</b>	<b>.06762</b>	<b>.07960</b>
<b>Springfield LSD/Portage Lakes JVSD</b>	<b>.06525</b>	<b>.08141</b>
<b><u>Franklin Township</u></b>		
<b>Coventry LSD/Portage Lakes JVSD</b>	<b>.06046</b>	<b>.09382</b>
<b>Manchester LSD/Portage Lakes JVSD</b>	<b>.06178</b>	<b>.08935</b>
<b>Northwest LSD/Stark JVSD</b>	<b>.05415</b>	<b>.08512</b>
<b>Norton CSD</b>	<b>.06133</b>	<b>.08411</b>
<b><u>Green City</u></b>		
<b>Green LSD/Portage Lakes JVSD</b>	<b>.05685</b>	<b>.07450</b>
<b>Jackson LSD</b>	<b>.04914</b>	<b>.06637</b>
<b><u>Norton City</u></b>		
<b>Barberton CSD</b>	<b>.05808</b>	<b>.07293</b>
<b>Norton CSD</b>	<b>.05580</b>	<b>.07596</b>
<b><u>Springfield Township</u></b>		
<b>Springfield LSD/Portage Lakes JVSD</b>	<b>.07029</b>	<b>.08681</b>
<b>Stow Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b>Stow CSD</b>	<b>.05265</b>	<b>.06671</b>
<b>Tallmadge Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>
<b>Stow CSD</b>	<b>.05129</b>	<b>.06566</b>
<b>Tallmadge CSD</b>	<b>.05403</b>	<b>.07424</b>
<b>Western Reserve Enterprise Zone</b>	<b>Real Property</b>	<b>Personal Property</b>

<b><u>Boston Township</u></b>		
Hudson LSD	.07746	.10378
Revere LSD/Cuyahoga Valley JVSD	.06047	.08575
Woodridge LSD	.05942	.07930
<b><u>Boston Heights Village</u></b>		
Hudson LSD	.07062	.09615
Nordonia Hills CSD/Cuyahoga Valley JVSD	.05163	.08175
Woodridge LSD	.05259	.07167
<b><u>City of Hudson</u></b>		
Hudson LSD	.07347	.09774
Stow CSD	.05307	.06728
<b><u>Macedonia City</u></b>		
Nordonia Hills CSD/Cuyahoga Valley JVSD	.05015	.08310
Twinsburg CSD/Cuyahoga Valley JVSD	.05365	.07794
<b><u>Northfield Center Township</u></b>		
Nordonia Hills CSD/Cuyahoga Valley JVSD	.05450	.08795
<b><u>Peninsula Village</u></b>		
Woodridge LSD	.05619	.07892
<b><u>Twinsburg City</u></b>		
Twinsburg City CSD/Cuyahoga Valley JVSD	.04898	.06899
<b><u>Twinsburg Township</u></b>		
Nordonia Hills CSD/Cuyahoga Valley JVSD	.05469	.08716
Twinsburg City CSD/Cuyahoga Valley JVSD	.05819	.08200

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