

BUSINESS INCENTIVES PRACTICE

MAJOR INCENTIVE PROGRAMS

IDAHO

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The Business Incentives Practice (“BIP”) strategically assists companies through the process of securing optimal incentive packages for projects considering an expansion, consolidation, or relocation. BIP leverages a project’s unique strengths and benefits to identify, negotiate, and implement all feasible economic development or government incentives (“Incentives”) opportunities. Moreover, BIP provides ongoing support and administration for a project to address any issues that may arise. By engaging BIP to work in parallel to the site selection team, businesses can have assurance that the optimal level of Incentives is secured and realized.

SERVICES

BIP’s mission is to develop a strategy that enhances business performance, while reducing a project’s up-front capital and ongoing operational costs through the procurement of Incentives. Many businesses are not aware they may be entitled to Incentives benefits for certain expansion, consolidation, and relocation activities. BIP identifies said opportunities through a multifaceted methodology that begins with careful analysis of project-specific data. The process continues with a detailed due diligence on all aspects of site-specific Incentives opportunities and concludes with the negotiation, implementation, and administration of Incentives.

RESULTS

BIP has successfully secured Incentives packages for a broad range of clients globally. The BIP team maintains a robust incentives database and along with its vast experience it facilitates the best possible results for a project. Since its inception, BIP professionals have negotiated in excess of \$3.0 billion in savings for its clients.



KEY PROJECT TYPES

BIP enables its clients to identify, negotiate, and quantify the myriad of incentives available through the federal, state, and municipal governments, as well as utilities service providers. BIP clients represent all industry sectors, ranging in size from Fortune 100 corporations to private owners, occupiers and developers. Almost any type of corporate location initiative can benefit from the use of C&W’s Business Incentives Practice:

- Corporate Headquarters Facilities
- Manufacturing Facilities
- R&D Centers
- Warehouse and Distribution Facilities
- Call Centers
- Data Centers
- Back-Office Centers
- Mixed-Use Developments

IDAHO’S RECENTLY AWARDED INCENTIVES (USD M)

COMPANY	INVESTMENT	JOBS	INCENTIVES
GoGo squeeZ	\$78.0	237	\$1.6
Gayle Manufacturing	\$24.0	105	\$0.5
Glanbia Foods	\$82.0	50	\$3.3
Project Pipe	\$18.0	80	\$0.4
Amy’s Kitchen	\$76.0	1,000	\$6.7
Diversified Fluid Solutions	\$0.8	50	\$0.4
ATC Manufacturing	\$20.0	225	\$1.1
Kochava	\$1.5	50	\$0.4
SkyWest Airlines	\$20.0	50	\$1.3
Clif Bar and Company	\$90.0	250	\$19.0
Chobani	\$450.0	400	\$27.6
Glanbia Foods	\$15.0	150	\$0.8

OVERVIEW OF MAJOR IDAHO INCENTIVE PROGRAMS

THE IDAHO BUSINESS ADVANTAGE

Businesses that invest a minimum \$500,000 in new facilities and create at least 10 new jobs averaging \$40,000 annually, plus benefits may qualify for a variety of incentives. Qualifying companies receive:

- An enhanced Investment Tax Credit of 3.75% up to \$750,000 OR 62.5% of tax liability in any one year
- A new jobs tax credit starting at \$1,500 and climbing to \$3,000 per job
- A 2.5% real property improvement tax credit up to \$125,000 in any one year along with a 25% rebate on sales tax paid on construction materials for the new facilities
- Upon request of the company, the respective county commissioners may also authorize a full or partial property tax exemption

TAX REIMBURSEMENT INCENTIVE (AVAILABLE JULY 1, 2014)

Businesses that bring new high-wage jobs to Idaho are eligible to receive up to a 30% refund on sales, payroll, and corporate income taxes for up to 15 years. Companies must provide wages above the county average, and create at least 50 new jobs in an urban area, or 20 in a rural area.

CAPITAL INVESTMENT PROPERTY TAX INCENTIVES

- **Property Tax Exemption:** Businesses that invest in new manufacturing facilities may receive partial or full property tax exemptions from local county commissioners. To qualify, a business must invest a minimum of \$3 million.
- **Large Business Property Tax Cap:** Businesses that invest a minimum of \$1 billion in capital improvements will receive a property tax exemption on all property in excess of \$400 million in value per year.
- **Large Employer Property Tax Cap:** Businesses that employ at least 1,500 people within an Idaho county may receive a property tax exemption on property values in excess of \$800 million. To qualify, the business must make a yearly capital investment of at least \$25 million within that county.

RESEARCH & DEVELOPMENT TAX CREDIT

Businesses conducting basic and qualified research may earn an income tax credit of 5% that may be carried forward up to fourteen (14) years.

WORKFORCE DEVELOPMENT TRAINING FUND

Cash grants for workforce training expenses are available to companies for positions that are created in groups of five or more and pay at least \$12 an hour (up to \$2,000 per new job).

LARGE EMPLOYER PROPERTY TAX CAP

Businesses that employ at least 1,500 employees within an Idaho county and make a yearly capital investment of \$25 million within that county

Idaho shows an average deal value of \$2.37 million with 116 new jobs created per deal

are eligible to receive property tax exemption on property values in excess of \$800 million.

OTHER IDAHO INCENTIVE PROGRAMS

- Industrial Revenue Bonding
- Gem Grants
- Investment Tax Credit
- Idaho Prime Rate Loan Program

For more information, contact:

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