

OUR ENTERPRISE ZONE



What is an Enterprise Zone?

An area or locality in which businesses are allowed certain tax advantages and are subject to fewer government regulations in order to stimulate its economy.

The City of Pompano Beach Enterprise Zone was created in 2010. It joined Broward County and six other cities in their efforts to encourage economic growth and investment by offering tax advantages and incentives to businesses located within the boundaries of each area's Enterprise Zone. The eight Enterprise Zones are part of the Florida Enterprise Zone Program.

Pompano Beach believes the most effective route to achieving its economic development goals is through coordination among the City Manager's Office, the Office of Housing and Urban Improvement and its Community Redevelopment Agency. In addition to funding assistance and other incentives offered by the City, businesses located within the Enterprise Zone are entitled to unique State tax benefits.

The City of Pompano Beach's Enterprise Zone Program is administered by its Office of Housing and Urban Improvement. The Zone is bordered on the west by the CSX railroad line, the east by I-95, the south by McNab Road and the north by Copans Road.

// Building Materials Sales Tax Refund

A refund is available for up to \$10,000 of sales taxes paid on the purchase of building materials used to rehabilitate real property located in the Enterprise Zone. Offering cash back for sales taxes paid on building materials, it is by far the most popular Enterprise Zone Program.

// Jobs Tax Credit (Sales Tax)

The Jobs Tax Credit allows Enterprise Zone businesses who collect and pay Florida sales and use tax, a monthly credit against their tax due on 20 or 30 percent of wages paid to new employees in a new full-time job. Qualifying employees may live in any Enterprise Zone, though, not just Pompano Beach's, or they may be Welfare Transition Program participants. The Sales Tax Credit cannot be used in conjunction with the Corporate Tax Jobs Credit.

// Jobs Tax Credit (Corporate Income Tax)

Like the sales and use tax credit, Enterprise Zone businesses who pay corporate income tax may receive a corporate income tax credit for 20 or 30 percent of wages paid to the same class of employees as those qualifying for the sales and use tax credit. A five-year carry-forward provision is available for unused portions of past credits. (The Corporate Tax Credit cannot be used in conjunction with the Sales Tax Credit.)

// Building Equipment Sales Tax Refund

A refund is available for sales tax paid on the purchase of certain business property, (e.g. tangible personal property such as office or warehouse equipment and some industrial machinery and equipment), which is used exclusively in the Enterprise Zone for at least 3 years.

// Property Tax Credit (Corporate Income Tax)

New or expanded businesses located within the Enterprise Zone are allowed a credit against Florida corporate income tax equal to 96% of ad valorem taxes paid on the new or improved property. The credit can be claimed for five years, up to a maximum of \$50,000 annually if 20% or more of its employees are residents of any Enterprise Zone; otherwise, the credit is limited to \$25,000 annually. Any unused portion of the credit may be carried forward for five years. For more information call 954.786.4659.

