197 West Market Street Warren, Ohio 44481 p: 330.392.6140 f: 330.746.0330 www.regionalchamber.com development@regionalchamber.com

Ohio Enterprise Zone Program

Overview

The Ohio Enterprise Zone Program (OEZP) provides local and state tax incentives for qualified businesses that expand or locate in designated areas of Mahoning and Trumbull counties.

Benefits

Substantial tax reductions on new real property investment.

Additional franchise or state income tax benefits may be available.

Eligibility

Businesses must finalize an Enterprise Zone Agreement prior to project initiation, agree to retain or create employment and establish, expand, renovate, or occupy a facility in an Enterprise Zone.

Additional eligibility requirements are stipulated by individual communities and the State of Ohio.

ADDITIONAL INFORMATION ON BACK →.

Rate/Terms

Application for Enterprise Zone program must be made before the project begins.

Up to 75 percent exemption in the cities and villages of the Youngstown-Warren area (in excess of 75% requires school board approval)

Up to 60 percent in other communities (in excess of 60% requires school board approval).

The maximum abatement term is 10 years.

There is no tax on tangible personal property in Ohio for all machinery and equipment; furniture, fixtures and equipment; and inventory.

Contact

Expected business location:

Mahoning County	Youngstown/Warren Regional Chamber at 330.392.6140.
City of Youngstown	Economic Development Department at 330.742.8981.
Trumbull County	Trumbull County Planning Commission at 330.675.2480.

This summary is prepared as a reference, and should not be construed as the actual law. For more information, contact the Youngstown/Warren Regional Chamber.

Youngstown/Warren Regional Chamber
Economic Development Division
197 West Market Street
Warren, Ohio 44481-1024

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ADDITIONAL INFORMATION:

The State of Ohio requires a project to meet one of the following four definitions:

1. Establish – means set up a facility at a location where the business has not previously operated;
2. Expand – means to make expenditures to add land, buildings, machinery, equipment or other materials (except inventory), to a facility that equal at least ten percent of the market value of the facility prior to such expenditures, as determined for the purposes of local taxation.
3. Renovate – means to make expenditures to alter or repair a vacant facility that equals at least fifty percent of the market value of the facility prior to such expenditures, as determined for the purposes of local taxation.
4. Occupy – means to make expenditures to alter or repair a vacant facility equal to at least twenty percent of the market value of the facility prior to such expenditures, as determined for the purposes of local taxation.

- Proposed Enterprise Zone projects which include the relocation of employment positions or assets from one Ohio site to another are subject to additional program requirements.

Tangible Personal Property tax is phased-out after a four-year period starting in 2006. Beginning in tax year 2009, payable in 2010, there is no tax on tangible personal property in Ohio for all manufacturing machinery and equipment; furniture, fixtures and non-manufacturing equipment; and inventory. Manufacturing machinery and equipment purchased before January 1, 2005 is already exempt.