



## ACA's Incentive Tool Box

<b>Arizona Competes Fund</b>	<ul style="list-style-type: none"> <li>• <b>Cash assistance</b> for business attraction projects that stimulate and promote industries that provide stable, high-wage jobs</li> <li>• Assistance will be performance-based and must result in a net benefit to the state</li> </ul>
<b>Arizona FAST Grant</b>	<ul style="list-style-type: none"> <li>• <b>Cash assistance</b> to initiate the technology commercialization process</li> <li>• Grant up to <b>\$7,500</b> to provide select professional consulting services</li> </ul>
<b>Arizona Innovation Accelerator Fund Program</b>	<ul style="list-style-type: none"> <li>• <b>Loan participation program</b> to spur business expansion and job creation</li> <li>• Loans from <b>\$50,000 - \$2 million</b> for up to 49.9% of a financing package</li> <li>• Principle and interest payments may be <b>deferred</b> for up to 24 months</li> </ul>
<b>Arizona Innovation Challenge</b>	<ul style="list-style-type: none"> <li>• <b>Cash assistance</b> for promising technology ventures</li> <li>• Grants range from <b>\$100,000 - \$250,000</b></li> </ul>
<b>Arizona STEP Grant</b>	<ul style="list-style-type: none"> <li>• <b>Cash assistance</b> to help develop international export opportunities</li> <li>• Reimbursable grants up to <b>\$10,000</b></li> </ul>
<b>Commercial &amp; Industrial Solar Energy Program</b>	<ul style="list-style-type: none"> <li>• <b>Tax credit</b> equal to <b>10%</b> of the installed cost of the solar energy device <ul style="list-style-type: none"> <li>▪ Up to \$25,000 per location per year</li> <li>▪ Not to exceed \$50,000 per taxpayer per year</li> </ul> </li> </ul>
<b>Healthy Forest Tax Incentives</b>	<ul style="list-style-type: none"> <li>• Use fuel tax rate of <b>9¢</b> per gallon</li> <li>• Up to <b>\$3,000 tax credit</b> for each net new job created</li> <li>• Transaction Privilege Tax <b>Exemption</b> on qualifying equipment purchase or lease contracts</li> <li>• Transaction Privilege Tax <b>Exemption</b> on construction contracts</li> <li>• Use Tax <b>Exemption</b> on qualifying equipment purchased out-of-state</li> <li>• Property tax reductions of up to <b>75%</b> for up to five years</li> <li>• Workforce training tax credit up to <b>\$9,000</b> for each net new job created</li> </ul>
<b>Job Training Program</b>	<ul style="list-style-type: none"> <li>• <b>Cash assistance</b> up to <b>\$1.5M</b> per business <ul style="list-style-type: none"> <li>▪ New jobs up to <b>75%</b> of eligible training expenses can be reimbursed</li> <li>▪ Incumbent jobs up to <b>50%</b> of eligible training expenses can be reimbursed</li> </ul> </li> </ul>



<b>Military Reuse Zones</b>	<ul style="list-style-type: none"> <li>• <b>Tax credits</b> of up to <b>\$10,000</b> for each new employee</li> <li>• <b>Property tax reductions</b> of up to 75% for up to five years</li> <li>• Transaction Privilege Tax <b>Exemption</b> on certain types of construction</li> </ul>
<b>Private Activity Bonds</b>	<ul style="list-style-type: none"> <li>• Alternative financing mechanism</li> <li>• <b>Interest on bonds is exempt</b> from federal income tax for most bondholders</li> </ul>
<b>Qualified Energy Conservation Bonds</b>	<ul style="list-style-type: none"> <li>• Alternative financing mechanism</li> <li>• <b>Qualified tax credit bond</b></li> <li>• Credit rate is <b>70%</b> of the credit rate that would allow the bond to sell at par</li> </ul>
<b>Quality Jobs Program</b>	<ul style="list-style-type: none"> <li>• <b>Tax credit</b> up to <b>\$9,000</b> per new net qualified employee over a 3 year period</li> </ul>
<b>Qualified Facilities Tax Credit</b>	<ul style="list-style-type: none"> <li>• <b>Refundable tax credit</b> up to <b>10%</b> of the company's investment <u>or</u> <b>\$20,000</b> per new job, whichever is less</li> </ul>
<b>Renewable Energy Tax Incentives</b>	<ul style="list-style-type: none"> <li>• <b>Refundable tax credit</b> up to <b>10%</b> of the company's investment</li> <li>• <b>Property tax reductions</b> of up to <b>75%</b> for up to fifteen years</li> </ul>
<b>Research &amp; Development Program</b>	<ul style="list-style-type: none"> <li>• <b>Tax credit</b> up to             <ul style="list-style-type: none"> <li>▪ <b>24%</b> of increased R&amp;D expenses</li> <li>▪ <b>\$600,000 plus 15%</b> on the expenses in excess of \$2.5 million</li> <li>▪ <b>34%</b> of expenses if made in conjunction with an AZ public university</li> </ul> </li> <li>• Up to 75% of the excess tax credit can be <b>refunded</b> to small businesses</li> </ul>
<b>Small Business Capital Investment Tax Credit (Angel Investment)</b>	<ul style="list-style-type: none"> <li>• <b>Tax credit</b> up to <b>35%</b> of investment amount over 3 years</li> <li>• Elimination of capital gains tax on income derived from investment in certified companies</li> </ul>



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