



Information on the designation of Utah Enterprise Zones in Tooele County, Utah



Information on Utah Enterprise Zones in the unincorporated areas of Tooele County, Utah

Background

Tooele County's growth throughout the 1990s has made it a bedroom community to the Wasatch Front cities. Continued residential development that is not offset with adequate commercial and industrial development, will cause governmental service delivery to diminish or be offset by increasing taxes. Tooele County desires to become self sustaining in the sense that it is not dependant on employment opportunities in other areas. The municipalities within Tooele County present an opportunity for the development of retail and service providers. Small and medium businesses will be located next to the markets they service in those cities and towns.

The unincorporated areas of Tooele County present a wide variety of commercial and industrial sites for large footprint land and building businesses as well as those who want to distance themselves from population centers without becoming so far removed that a labor force is hard to obtain. The current imbalance of residential and the diversity within the workforce that reside in Tooele County is an asset for future economic development. Tooele County has the assets readily available to seek out large scale manufacturing, distribution, basic and local wholesale businesses. The economic development plan that was adopted in Tooele County General Plan addresses the locations that the County has planned in the unincorporated areas to support commercial and industrial development. Those locations were strategically identified so that it will minimize the costs of development; facilitate the types of industry and businesses that can benefit from our labor pool; and are supported by the infrastructure available.

Hearings

Tooele County adopted it's current general plan

in 1994 through a process of public hearings held at both the planning and county commissions. Tooele County views the General Plan as a dynamic document and updates the plan regularly. The Board of County Commissioners held a hearing on the establishment of the enterprise zone on September 28th, 2004. The discussion included state income tax savings available and how that benefits the County, existing and future businesses as well as the area to be included was voted on and approved.

Identification of Proposed Enterprise Zone

The proposed Enterprise Zone application boundaries will include the following commercial zones as designated on the Tooele County zoning map: C-N, C-S, C-H, C-G, M-D, M-G, MSW and MG-H.

Job creation and tax credits

Eligible businesses may claim up to 30 new



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full-time positions per tax year where the following credit may apply:

- A \$750 tax credit for each new full-time position filled for at least six months during the tax year.
- An additional \$500 tax credit if the new position pays at least 125% of the county average monthly wage for the respective industry (determined by the Utah Department of Employment Security). In the event this information is not available for the respective industry, the position must pay at least 125% of the total average monthly wage in the county.
- An additional \$750 tax credit if the new position is in a business which adds value to agricultural commodities through manufacturing or processing.
- An additional \$200 tax credit for two consecutive years, for each new employee insured under an employer sponsored health insurance program if the employer pays at least 50% of the premium.

A business may qualify for these other tax credits as well:

- A tax credit (not to exceed \$100,000) of 50% of the value of a cash contribution to a 501 (c)(3) private nonprofit corporation engaged primarily in community and economic development, and which is accredited by the Utah Rural Development Council.
- A tax credit of 25% of the first \$200,000 spent on rehabilitating a building which has been vacant for at least two years, and which is located within an enterprise zone.
- An annual investment tax credit of 10% of the first \$250,000 in investment, and 5% of the next \$1,000,000 qualifying investment in plant, equipment, or other depreciable property.

For more information on Enterprise Zone Tax Credits contact:

Kim Ferrell
State Tax Commission
210 North 1950 West
Salt Lake City, Utah 84134
Phone (801) 297-4634
Fax (801) 297-4799

For Tooele County Enterprise Zone locations contact:

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Tooele County
47 South Main Street
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