

Lackawanna and Luzerne County Keystone Innovation Zones



The Northeastern Pennsylvania Technology Institute is coordinating the Lackawanna and Luzerne County Keystone Innovation Zones. Part of the Commonwealth of Pennsylvania's economic stimulus package, eligible businesses may take advantage of:

- **Transferable Tax Credits**
- **Stipends for Internships**
- **Preferential Consideration for DCED Programs**
- **Innovation Grants to Partner with the Region's Institutions of Higher Learning**

Corporate Eligibility Criteria

- 1** Eight Years or Less in Operation
- 2** Operating within the Designated KIZ Geographical Designations
- 3** Operating within One of the Targeted Industry Sectors

Geographic Designations

Lackawanna County:

Downtown Scranton (Lackawanna Ave.-Mifflin Ave.-Vine St.-Adams Ave.) including the Scranton Enterprise Center
Carbondale Yards including the Carbondale Technology Transfer Center
The Scott Technology Park

Luzerne County:

Downtown Wilkes-Barre (River St.-Ross St.-Wilkes-Barre Blvd, North St.) including the Innovation Center in Wilkes-Barre

Hanover Crossings

The Twin Stacks, Route 309, Dallas

CAN BE Innovation Center

CAN DO Corporate Center Park/Green Building

CAN DO Harwood Innovation Site

Downtown Hazleton- (Broad Street from Poplar Street to Diamond Ave.)

Dorr-Oliver Property- 101 Carleton Avenue, Hazleton

KIZ Benefits

Transferable Tax Credits:

Tax credits are available to eligible companies located within a KIZ. A company may claim a tax credit equal to 50% of the increase in that company's gross revenue from year one to year two. In the event the company posts a revenue increase but doesn't maintain the tax liability then the company may sell the credit to another Pennsylvania based firm. The purchasing company will then apply the credit. The tax credit shall not exceed \$100,000 annually and may be carried forward for up to four years.

Example: **Year 1**, ABC Company's gross revenue = \$40,000
Year 2, ABC Company's gross revenue = \$60,000
Year 3, ABC Company may apply for a tax credit of \$10,000 or sell the credit to another PA based company for \$10,000. (50% of the \$20,000 increase in gross revenue from year 1 to year 2.)

Applications must be filed by September 15 of each year, beginning on **September 15, 2006.**

Internships:

As the KIZ coordinator, NPTI can help you find an intern(s) and will provide the student a stipend up to \$1,000.

Any interested and eligible companies should send the KIZ coordinator a job description of the internship position. NPTI will work with the thirteen local college and university career development offices to help you recruit your intern(s). A \$1000 stipend is available to the student to offset a portion of the cost to hire an intern(s). The stipend is payable to the student in increments of \$500 at 75 hours and 150 hours.

Preferential Consideration for DCED Programs:

KIZ eligible companies applying for DCED programs, including but not limited to PIDA, MELF Funding and Job Creation Tax Credits, will receive preferential consideration. In simple terms, a company's application moves from the bottom of the pile to the top in an effort to expedite corporate growth within the KIZ.

Targeted Industry Sectors

- **Healthcare/Life Sciences**
- **Nanotechnology, Advanced Manufacturing and Plastics**
- **Information Technology/New Media**
- **Back Office/Finance**
- **Homeland Security**

For More Information: **570-408-9810** • kokrepkie@greatvalleyalliance.com.

