

APPLICATION FOR NEW BUSINESS FACILITY
TAX CREDITS

FORM 402AP 9901

THIS APPLICATION MUST BE COMPLETED AND FILED WITH THE DIVISION OF REVENUE PRIOR TO CLAIMING ANY CORPORATE INCOME TAX CREDITS OR REDUCTIONS IN LICENSE TAXES PURSUANT TO CHAPTER 20, TITLE 30, DELAWARE CODE

PART A -- NAME AND ADDRESS

1. Federal Employer Identification Number

1 ---

2. Name of Taxpayer

3. Address

4. Location of qualifying business facility (if different from above).

5. Contact Person

Telephone Number

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PART B -- BUSINESS ACTIVITIES

Check the appropriate qualifying activity(s)

- Aviation Maintenance & Repair Services
- Computer Software Sales (Wholesale Only)
- Consumer Credit Reporting/Collection Services
- Data Processing or Data Preparation
- Engineering
- Manufacturing
- Scientific, Agricultural or Industrial Research
- Telecommunications

- Wholesaling
- Growing Fruits & Vegetables -- **Climate-controlled Facility**
- Management & Support Services for Activities listed
- Combination of Activities listed
- Occupational Licenses -- **Targeted Areas Only**
- Retailing -- **Targeted Areas Only**
- Other -- **Brownfield Areas Only**
- Other -- **Green Industries Only**

Check the appropriate type of facility

- New facility
- Replacement facility
- Located on a Brownfield (Verification required from DNREC)

- Expansion with new employees
- Expansion without new employees

PART C -- QUALIFYING FACILITY INFORMATION

1. Enter the date the facility was placed in service. _____
2. Enter the value (at original cost if owned by the taxpayer, or eight times the annual rent paid less any amounts received as subrentals if leased) of the real and tangible personal property, except inventory or property held for sale to customers, which constitutes the new business facility or which is used by the taxpayer in the operation of the business facility. Include in this investment amount all costs expended by the taxpayer for environmental investigation and remediation if such facility is located on a brownfield.
\$ _____
3. If the qualifying facility is leased, provide the name, address and federal employer identification number of the lessor.
F.E.I.N
4. Enter the number of new business facility employees employed by the taxpayer on a regular and full-time basis in the operation of the new, replaced or expanded facility. _____
5. If the qualifying facility has been acquired from another, provide the name, address and federal employer identification number of the previous owner.
F.E.I.N
6. Is the taxpayer or firm related to the individual or firm listed above? [] YES [] NO If yes, please describe the relationship.

Signature

Date

**NEW BUSINESS FACILITY TAX CREDITS
FORM 402AP 9901**

GENERAL INSTRUCTIONS

Form 402AP is used to apply for the Delaware corporate income tax credit and the Delaware gross receipts tax reduction which is available to businesses who establish or expand facilities located in Delaware and meet certain eligibility requirements. Form 402AP must be completed and returned to Delaware Division of Revenue, 820 North French Street, Wilmington, Delaware 19801 (e-mail at DOR_CorpTax@DELAWARE.GOV). The Division of Revenue will notify the applicant in writing if the application is approved or disapproved. Approval by the Delaware Division of Revenue must be granted before the corporation can claim the income tax credits or the gross receipts tax reduction. A separate Form 402AP must be completed for each new or expanded facility.

Effective for all qualified facilities placed in service after June 30, 2011, the general corporate income tax credits are \$500 for each qualified employee and \$500 for each \$100,000 of qualified investment with a minimum of \$200,000 (or \$40 million for climate-controlled space used for growing fruits or vegetables). If the facility is placed in service in a targeted area, the corporate income tax credits are increased to \$750 for each qualified employee and \$750 for each \$100,000 of qualified investment.

Any manufacturer located in Delaware may be entitled to **green industries** Delaware corporate income tax credits if the manufacturer reduces the amount of waste released from their manufacturing process by 20% or uses at least 25% of recycled materials in their manufacturing process. Additional credits are available if the manufacturer is in the business of the processing and resale of materials removed from the Delaware solid waste stream or is engaged in the business of the collection of materials for recycling and the distribution of recycled materials.

Effective for all qualified facilities placed in service after June 30, 2011, any taxpayer may be entitled to Delaware corporate income tax credits of \$750 for each qualified employee and \$750 for each \$100,000 of qualified investment if the facility is located on a **brownfield** site. If the **brownfield** site is located in a targeted area, the corporate income tax credits are increased to \$900 for each qualified employee and \$900 for each \$100,000 of qualified investment. A **brownfield** site is defined as a vacant or unoccupied site that has been environmentally contaminated by commercial or industrial activity as verified by the Delaware Department of Natural Resources and Environmental Control.

SPECIFIC LINE INSTRUCTIONS

PART A -- NAME AND ADDRESS

- Line 1.** Enter the Federal Employer Identification Number of the facility applying for the New Business Facility Tax Credit.
- Line 2.** Enter the name of the business applying for the New Business Facility Tax Credit.
- Line 3.** Enter the address of the facility applying for the New Business Facility Tax Credit.
- Line 4.** Enter the location of the facility applying for the New Business Facility Tax Credit.
- Line 5.** Enter the name and telephone number of the person submitting this application.

PART B -- BUSINESS ACTIVITIES

Please check the appropriate box or boxes which describe the activities of the facility applying for the New Business Facility Tax Credit.

PART C -- QUALIFYING FACILITY INFORMATION

- Line 1.** Enter the date (MM/DD/YY) the facility applying for the New Business Facility Tax Credit was placed in service.
- Line 2.** Enter the value, at original cost, of the real and tangible property used at the location of the facility applying for the New Business Facility Tax Credit.
- Line 3.** If the facility applying for the New Business Facility Tax Credit is leased, enter the name, address and Federal Employer Identification number of the lessor.
- Line 4.** Enter the number of employees employed at the facility applying for the New Business Facility Tax Credit.
- Line 5.** If the facility applying for the New Business Facility Tax Credit was acquired from another, enter the name, address and the Federal Employer Identification number of the previous owner.
- Line 6.** If the facility applying for the New Business Facility Tax Credit is related to the previous owner, check the "YES" box and describe the relationship between the two entities. Check "NO" if the entities are not related.