



JOBZ

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Minnesota Department of Employment and Economic Development's Job Opportunity Building Zones (JOBZ) (www.deed.state.mn.us/jobz-f.asp)

What is JOBZ?

Eligible businesses in a JOBZ designated zone operate in an environment nearly free of state and local taxes. The Region Five Development Commission representing Crow Wing, Cass, Morrison, Todd, and Wadena counties applied to the Minnesota Department of Employment and Economic Development (DEED) and received JOB Zone status for the five counties and now serves as the Zone Administrator.

JOBZ Tax Exemptions

- Corporate Taxes (income tax, alternative minimum tax, minimum fee)
- Individual Taxes (income tax on investment income, alternative minimum tax)
- Sales and Use Taxes
- Most Property Taxes (except for land, general obligation bonds, and school operating levies in place prior to zone designation)
- Wind Energy Production Tax

JOBZ Tax Credit

- Job Creation Credit

For more information contact Anne Hanson, Region 5 Development Commission at 218-899-3233, ext. 18 or Sheila Wasnie Haverkamp, Executive Director, Brainerd Lakes Area Development Corporation at 218-828-0096.

Eligibility and Requirement

To qualify for the JOBZ tax exemptions, a business must start-up in the zone, relocate from outside the zone or expand. Companies wishing to participate in the JOBZ program must meet the business assistance goals of the community in which they wish to locate. Once approved, the company will then enter into a Business Subsidy Agreement with the community, which is a legal document outlining all requirements under the JOBZ program, including those specific to the community. Companies qualify if the business increases employment by a minimum of five jobs or 20%, whichever is greater, within the first full year of operation in JOBZ.

Companies within Minnesota who relocate to a JOBZ Zone are required to enter into a Relocation Agreement with the State, which outlines specific JOBZ requirements relative to relocating companies. In addition, there are ongoing reporting requirements for both communities and companies participating in the JOBZ program.

See full qualifications at the Minnesota Dept of Economic Development web site (<http://www.deed.state.mn.us/bizdev/jobzwhat.htm>) and download the JOBZ fact sheet.

BLADC and the JOBZ Program

The Brainerd Lakes Area Development Corporation (BLADC) is the principal coordinator for the JOBZ Zone program in Crow Wing County. As such, BLADC provides assistance to communities and businesses seeking to participate in the JOBZ program. Crow Wing County communities currently participating in the JOBZ Program: Brainerd, Baxter, Crosby, Ironton, Jenkins, Oak Lawn Township, and Pequot Lakes.

Application and JOBZ Participation Fees

Communities will require companies to cover all costs associated with JOBZ applications requests. These costs are likely to range from \$1,000 to \$5,000. Businesses and Developers are also required to pay an annual JOBZ participation fee, which is applied to the costs of administering the JOBZ program. Business fees are based on a half a percent of qualifying JOBZ payroll, with a minimum of \$500 and a maximum of \$10,000 per year. Developer fees are assessed at five cents per square foot of rented JOBZ property, with a minimum of \$500 and a maximum of \$2,500 per year.

Brainerd Lakes Area Development Corporation, Minnesota, (888) 322-5232 or (218) 828-0096, info@bladc.org

Representing Crow Wing County and the communities of: Brainerd, Baxter, Breezy Point/Pequot Lakes, Crosby/Ironton/Deerwood, Crosslake/Emily/Manhattan Beach, Nisswa