HBI
HOOSIER BUSINESS INVESTMENT TAX CREDIT

DESCRIPTION
The Hoosier Business Investment (HBI) Tax Credit is the IEDC's primary capital investment tool. The HBI tax credit provides an incentive to businesses to support job creation and capital investment that improves the standard of living for Indiana residents. The nonrefundable income tax credits are calculated as a percentage of the eligible capital investment to support the project. The credit may be certified annually, based on the phase-in of eligible capital investment.

ELIGIBILITY
To be eligible for the tax credit, the project:

» Will result in net new jobs that were not previously performed by employees of the applicant or increased payroll at the project location

» Is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the state's economy

» Will not move forward if the applicant does not receive the tax credit

» Is supported by the political subdivisions/municipalities affected by the project, as shown by significant incentives provided to the business

Eligible capital investment includes building costs associated with the project as well as the purchase of new, used or refurbished machinery, and other modern manufacturing equipment as outlined by Indiana Code § 6-3.1-26-8.

EVALUATION CRITERIA
Each project will be evaluated on its individual merits and will undergo a cost-benefit analysis after it has met the following basic requirements:

» Business commits to new capital investment in Indiana

» Business commits to the creation of full-time, permanent jobs for Indiana residents at the project location; or commits to increasing the total payroll for employees at the project location

» Project supports the purpose of the tax credit and meets all of the requirements as set forth in Indiana Code § 6-3.1-26

CALCULATION OF THE CREDIT
The tax credit is calculated by determining the eligible capital investment and multiplying the total by:

» 10% for qualified investment

» 15% if the qualified investment is for the purchase of digital manufacturing equipment

» 25% if the qualified investment is a logistics investment

REPORTING REQUIREMENTS
Upon execution of an HBI tax credit contract with the IEDC, the business will be required to report for every calendar year during the term of the contract, up to 10 years.

Information required:

» Summary statistics relating to capital investment that occurred in the applicable year

» Individual employee data to support contractual employment and wage thresholds

» Detailed line-item report of eligible investment costs by invoice

Indiana
A State that Works®

HBI
HOOSIER BUSINESS INVESTMENT TAX CREDIT

PROJECT ELIGIBILITY	Business must commit to capital investments and 1. Create new jobs or 2. Increase payroll at the project location
AMOUNT	Up to 10% of qualified investment Up to 15% of qualified investment: Digital Manufacturing Equipment Up to 25% of qualified investment: Logistics
PASS THROUGH	Yes
CARRY FORWARD	Yes, for up to 9 years after the year in which the investment is made
CARRY BACK	No
REFUNDABLE	No
ASSIGNABLE	No
PROJECT CAP	None
PROGRAM CAP	$50 million each fiscal year $10 million each fiscal year for logistics investments

Indiana
A State that Works®