

## Tax Credits and Incentives Overview Fact Sheet

### LOCAL

#### **Clean Technology Payroll Tax Exemption**

The City of San Francisco provides a payroll tax exemption for up to 10 years to clean technology companies located in the City. Any business that employs between 10 and 99 employees is eligible for the payroll tax exemption.

#### **SF Enterprise Zone (EZ) Payroll Tax Credit**

The local Enterprise Zone program enables businesses located in targeted locations of the City to reduce their payroll tax expense for qualified employees. The tax credit is for new jobs created on or after January 1, 1992.

#### **Biotechnology Payroll Tax Exemption**

San Francisco's Mission Bay community is at the center of the biotechnology revolution. To support the expansion of this flourishing industry and the creation of new jobs, the City of San Francisco offers a payroll tax exemption for up to 7.5 years to San Francisco-based businesses engaged in biotechnology pursuits.

#### **Film Production Incentives**

The SF Film Office offers a rebate program providing a refund to eligible productions on all City fees, local payroll taxes and a portion of hotel and sales tax paid during production.

### STATE

#### **California Enterprise Zone (EZ) Tax Credits & Incentives**

The State of California EZ program helps businesses reduce their state income tax liability through hiring tax credits, business expense deductions, accelerated depreciation, and a 15-year carry-over of up to 100% of net operating losses. Eligible businesses must be located in designated Enterprise Zone areas.

#### **California New Jobs Tax Credit**

The new jobs tax credit offers tax credit to small businesses for each additional full-time employee hired after January 1, 2009. Eligible businesses must pay each additional full-time employee for a minimum of 35 hours per week, employ 20 or fewer employees during the preceding taxable year, and be able to demonstrate an increase in number of full-time employees from the preceding taxable year.

### FEDERAL

#### **Work Opportunity Tax Credit (WOTC)**

The Work Opportunity Tax Credit is an income tax credit for employers who hire employees from eligible groups including youth, ex-offenders, and public assistance recipients.

#### **Historic Preservation Tax Credit**

The US Department of the Interior supports the preservation of historic buildings through federal tax incentives, including a 20% tax credit for the certified rehabilitation of historic structures, and a 10% tax credit for the rehabilitation of non-historic buildings built before 1936.

#### **Renewal Community (RC) Tax Credits & Incentives**

San Francisco businesses are eligible to receive wage credits, tax deductions, capital gains exclusions and bond financing to stimulate economic development and job growth in locally designated Federal Renewal Community zones.

### CONTACT US

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