



*Thanks to Denver voters' approval last November of ballot Measure 2A, the City and County of Denver is able to eliminate its budget deficit, restore essential services and put Denver on a path to full economic recovery. A wide range of exciting services are being restored and funded, from additional public library hours to more access for kids to public swimming pools. Denver can now deliver a smart, 21<sup>st</sup> century community that is built on a solid financial foundation with good jobs, healthy children, and safe streets.*

*Businesses are the lifeblood of our community—and as Denver continues to grow into a world-class city where everyone matters, we're implementing new and innovative ways to support our business climate, increase economic opportunity and boost Denver's economic vitality.*

## Invest in Denver!

### DENVER'S BUSINESS INVESTMENT PROGRAM

Thanks to 2A, Denver's business owners are getting a valuable boost, too! It's a business personal property tax credit offered through the newly established **Business Investment Program**, designed to encourage business start-ups and reward existing businesses of all sizes that expand their operations here. This program incentivizes qualified businesses to expand their facilities, add new employees, and buy new equipment.

#### WHAT IS THIS TAX CREDIT?

A tax credit is a reduction of a tax bill. This tax credit is specifically for investing in business personal property, including eligible machinery, equipment, furniture, and other items related to a commercial or industrial operation between years 2012 and 2016. NOTE: Replacement equipment is not eligible.

Businesses that invested in new or expanded operations in 2012 may now apply to participate in the Business Investment Program. Businesses can apply for a credit in the amount of the Denver General Fund portion of their taxes on business personal property for up to four years, starting when the property is placed in service. Investments made in subsequent years require a separate application.

#### WHO IS ELIGIBLE?

Businesses located within the City and County of Denver, through a business start-up or expansion, that made significant capital investments are eligible to apply. **For businesses established prior to 2012, you also meet at least ONE of these growth requirements for 2012:**

- Your increased investment was at least \$1 million in business expansion;
- Your increased investment was at least 100% of your prior business capital level;

- You increased by at least 10 employees over your preceding 12-month average; or
- You increased by at least 10 percent in employment over your preceding 12-month average.

**NOTE:** Small business owners with business personal property valued at \$7,000 or less might already be exempt from personal property tax, in which case this program is not applicable. To confirm whether your small business is exempt, call the Assessor's Office at 720.913.4067.

## HOW CAN THIS CREDIT BENEFIT ME?

It reduces your tax liability for a four-year period, which saves your business money. For example, a business that invests \$1 million in a new piece of equipment for a manufacturing process can receive an estimated \$12,000 in tax credits over the four-year agreement period.

But you don't have to invest in \$1 million in capital equipment; as another example, a business investing \$34,000 in new furniture and equipment could still save more than \$400 in taxes over the four-year period--provided that it meets one of the other growth requirements mentioned above.

## YOUR NEXT STEP

There is an application required, but you're compiling information about your business year already, so applying for this tax credit by July 1, 2013 will not represent an additional paperwork burden. It's Denver's way of recognizing that you're growing your business and **Investing in Denver** . . . and voters' way of saying thanks!

The Application Package, which includes instructions and the Application Form for 2012, is downloadable from [www.denvergov.org/investindenver](http://www.denvergov.org/investindenver).

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Return your application **via email** to [InvestinDenver@denvergov.org](mailto:InvestinDenver@denvergov.org), or **via mail** to City and County of Denver, Office of Economic Development, Business Investment Program, 201 W Colfax Ave - Dept 208, Denver, CO 80202. Do **not** send your application to the Denver Treasury Division or Denver Assessor's Office.

For business personal property tax credit for 2012, you must submit your application by July 1, 2013. **You are strongly encouraged to apply as early as possible before this deadline.**

Note that submitting your application for this tax credit does **not** substitute for your annual filing of a Personal Property Declaration Schedule with the Assessor's Office.

Eligibility for the tax credit will be determined by compliance with Chapter 53, Article XVI, D.R.M.C.

Please direct inquiries you may have on the tax credit to [InvestinDenver@denvergov.org](mailto:InvestinDenver@denvergov.org). We anticipate a high volume of inquiries in this initial year, and written inquiries will help us better address common questions. If necessary, program staff may be contacted at 720.913.1721.