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Tulare County expands business incentive zone

By Gabriel Dillard

Tulare County recently expanded its one-of-a-kind business incentive zone by 3,719 acres to include more cities and businesses.

The 59,000-acre zone now includes larger areas of the cities of Dinuba, Visalia and Tulare. It also includes parts of the unincorporated areas of Three Rivers and Terra Bella.

The zone is meant to stimulate business development and employment growth, said Lori Dunigan, business development director for the Economic Development Corporation serving Tulare County (EDC).

Tulare County and its incorporated cities were awarded the state's sole "targeted tax area" in 1998. This is the second time the zone has been expanded.

The designation includes tax credits commonly offered within the state's 42 enterprise zones in addition to incentives such as fee deferrals and a fast-track program for city or county permits.

Companies eligible for incentives include those in the industries of manufacturing, transportation, food processing, distribution and wholesale trade. Incentives include:

- 21-day permit fast tracking for expansions and other building projects.
- A 5-year, no-interest development fee deferral allowing businesses to pay fees, including permit processing, sewer and

water connections and traffic impacts, in five annual installments.

- A state hiring tax credit of up to \$35,100 over five years for each employee meeting one of a list of qualifications, including being on public assistance or having a disability.
- State credits for sales or use taxes of up to \$1 million for individuals, or \$20 million for corporations, for the purchase of machinery for manufacturing, food processing, communications or other applications.
- A 15-year net operating loss carryover, allowing businesses to extend operating losses to future tax periods for the purpose of reducing the amount of taxable income.

Dunigan said more than 10,000 vouchers have been issued to businesses taking advantage of the hiring credit since the zone was established 10 years ago.

"The big incentive is the hiring credit," Dunigan said. "We use it as a recruitment tool when speaking to businesses about Tulare County."

In addition to the business incentive zone, Tulare County boasts a U.S. foreign trade zone - a designated area considered to be outside of the U.S. for the purpose of avoiding customs duties

or excise taxes on foreign merchandise entering the zone.

The county's two foreign trade zones include 251 acres at the Midstate 99 Distribution Center in Visalia and the U.S. Cold Storage site at the Tulare Industrial Park.

The recycling zone includes eight of the county's incorporated cities and all unincorporated areas not zoned residential.

For more information about Tulare County's incentive zones, contact the EDC at (800) 7182332 or visit www.sequoiavalley.com.