

Overview of Commonwealth Economic Development Programs



Program	Overview
Community Based Services Tax Credit (CBSTC)	<p>Administered by PA DCED.</p> <p>The CBSTC establishes a tax credit program for businesses that make contributions to non-profit entities that provide community-based services to individuals with Intellectual Disabilities.</p>
Educational Improvement Tax Credit Program (EITC)	<p>Administered by PA DCED.</p> <p>The EITC program awards tax credits to eligible businesses contributing to a Scholarship Organization, an Educational Improvement Organization, and/or a Pre-Kindergarten Scholarship Organization.</p>
Historic Preservation Tax Credit (HPTC)	<p>Administered by PA DCED.</p> <p>The HPTC provides tax credits to qualified taxpayers who will be completing the restoration of a qualified historic structure into an-income producing property. All projects must include a qualified rehabilitation plan that is approved by the Pennsylvania Historical and Museum Commission (PHMC) .</p>
Job Creation Tax Credit (JCTC)	<p>Administered by PA DCED.</p> <p>The Job Creation Tax Credit Program (JCTC) was established for the purpose of securing job-creating economic development opportunities through the expansion of existing businesses and the attraction of economic development prospects to the Commonwealth of Pennsylvania.</p>
Research and Development (R&D) Tax Credit	<p>Administered by PA Dept. of Revenue.</p> <p>Research and Development tax credits (“R&D tax credits”) are available to taxpayers incurring qualified expenses for research and development in Pennsylvania. The Pennsylvania Department of Revenue (“DOR”) administers the approval of applications for R&D tax credits.</p>
Neighborhood Assistance, Enterprise Zone Tax Credit (NAP/ EZP)	<p>Administered by PA DCED.</p> <p>The NAP/EZP program encourages private investment and promotes job growth and economic development in state designated enterprise zones. The program authorizes tax credits against specified PA taxes to private companies that make qualified investments to promote economic development or increase employment opportunities.</p>
Opportunity Scholarship Tax Credit Program (OSTC)	<p>Administered by PA DCED.</p> <p>The OSTC program provides tax credits to businesses contributing to an Opportunity Scholarship Organization (OSO). Contributions are used by OSO to provide scholarships to eligible students residing within the boundaries of a low-achieving school to attend another public school outside of their district or nonpublic school.</p>
Local Economic Revitalization Tax Assistance (LERTA)	<p>Administered by Municipal Governments.</p> <p>The Local Economic Revitalization Tax Assistance (LERTA) Act allows local government bodies to LERTA designate economically depressed areas to encourage new construction and improvements to deteriorated industrial, commercial and business properties, by allowing a reduction in property taxes over a period of up to 10 years.</p>

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Resource Enhancement and Protection (REAP) Tax Credit	<p>Administered by PA Dept. of Agriculture.</p> <p>REAP program provides a tax credit to farmers and businesses that invest in the implementation of best management practices in agricultural operations to enhance farm production and protect natural resources.</p>
Keystone Innovation Zone (KIZ) Tax Credit Program	<p>Administered by PA DCED.</p> <p>Keystone Innovation Zones (KIZs) are designated geographic zones to foster innovation and create entrepreneurial opportunities by aligning the combined resources of educational institutions and the private sector. The program provides tax credits to for-profit companies less than eight years old operating within specific targeted industries within the boundaries of a KIZ.</p>
Keystone Special Development Zone (KSDZ)	<p>Administered by PA DCED.</p> <p>The Keystone Special Development Zone (KSDZ) is an incentive-based tax credit program to foster the redevelopment of abandoned, deteriorated commercial and industrial sites.</p>
Keystone Opportunity Zone (KOZ)	<p>Administered by PA DCED.</p> <p>Keystone Opportunity Zones (KOZs) are underdeveloped and underutilized geographic areas designated by local communities and approved by the state as economic development zones that can provide certain state and local tax abatement to businesses and residents in those zones.</p>
Tax Increment Financing (TIF) Guarantee Program	<p>Administered by Commonwealth Financing Authority (CFA).</p> <p>The Tax Increment Financing (TIF) Guarantee Program promotes and stimulates the general economic welfare of various regions and communities in the Commonwealth and assists in the development, redevelopment and revitalization of Brownfield and Greenfield sites in accordance with the TIF Act.</p>
Small Diverse Business Capital Access Program (SDBCA)	<p>Administered by PA Industrial Development Authority (PIDA).</p> <p>The Small Diverse Business Capital Access Program provides low-interest loans and lines of credit to small diverse businesses that commit to creating and retaining full-time jobs within the Commonwealth.</p>
On-the-Job Training (OTJ) Program	<p>Administered U.S. Dept. of Labor</p> <p>On-the-Job Training (OTJ) Program that offers employers the opportunity to hire pre-screened applicants, while saving on training costs. The average training period per new hire is 3-4 months, with a 6 months maximum training limit.</p>
Redevelopment Assistance Capital Program (RACP)	<p>Administered by PA Office of the Budget.</p> <p>The Redevelopment Assistance Capital Program (RACP) is a grant program administered for the acquisition and construction of regional economic, cultural, civic, recreational, and historical improvement projects.</p>